

# Prospectus



## BW ENERGY LIMITED

*(an exempted company limited by shares incorporated under the laws of Bermuda)*

### **Listing of BW Energy Limited 10% Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029 on the Oslo Stock Exchange**

This prospectus (the "**Prospectus**") has been prepared by BW Energy Limited, an exempted company limited by shares incorporated under the laws of Bermuda ("**BW Energy**" or the "**Issuer**", and together with its subsidiaries, the "**Group**") in connection with the listing (the "**Listing**") on Euronext Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the 10% Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029 with ISIN NO0013259663, issued by the Issuer on 21 June 2024 (the "**Bonds**" or the "**Bond Issue**").

The Bonds are registered in Euronext Securities Oslo, the Norwegian Central Securities Depository (the "**CSD**") in book-entry form. All Bonds rank in parity with one another.

The Bonds are expected to be listed and tradable on the Oslo Stock Exchange on or about 4 November 2024 under the ticker code "BWE".

**THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THE PROSPECTUS DOES NOT CONSTITUTE AN OFFER, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL, ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO BONDS, SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.**

Investing in the Issuer or the Bonds involves a high degree of risk. Any prospective investors should read the entire Prospectus, and in particular consider Section 2 "**Risk factors**", when considering an investment in the Bonds or the Issuer.

The distribution of this Prospectus may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required by the Issuer to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of the relevant jurisdiction. See Section 11 "**Selling and transfer restrictions**"

#### Managers



31 October 2024

## IMPORTANT INFORMATION

This Prospectus has been prepared by the Issuer solely for use in connection with the Listing of the Bonds on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**") and the bond rules issued by the Oslo Stock Exchange and comprises. This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the securities.

The Issuer has engaged DNB Markets, a part of DNB Bank ASA, Pareto Securities AS, Fearnleys Securities AS and SpareBank 1 Markets AS as managers in connection with the Bond Issue (the "**Managers**").

Unless otherwise indicated, the information contained in this Prospectus is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the date of this Prospectus and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

All inquiries relating to this Prospectus should be directed to the Issuer. No person is authorized to give information or to make any representation concerning the Group in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Issuer or the Managers or by any affiliates, representatives, advisors or selling agents of any of the foregoing.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents, is prohibited.

An investment in the Bonds involves inherent risks. Potential investors should carefully consider the risk factors set out in section 2 "*Risk Factors*" in addition to the other information contained herein before making an investment decision. An investment in the Bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the Bonds, including the merits and risks involved. Neither the Issuer nor any of its advisers are making any representation to any purchaser of the Bonds regarding the legality of an investment in the Bonds by such purchaser under the laws applicable to such purchaser. The contents of this Prospectus do not constitute legal, tax, business, or financial advice, and each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

**This Prospectus does not constitute an offer of, or an invitation to purchase or sell any of the securities described herein in any jurisdiction in which such offer or sale would be unlawful. The distribution of this Prospectus and the offer and sale of the Bonds may in certain jurisdictions be restricted by law. The Issuer has not registered the Bonds under the U.S. Securities Act, and does not expect to do so in the future. The Bonds may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act), except for pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities law, or pursuant to an effective registration statement. Neither this Prospectus nor any advertisement or other material pertaining to the securities of the Issuer may be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any applicable restrictions. In addition, the Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations.**

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with the Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

All Sections of the Prospectus should be read in context with the information included in Section 4 "*General information*".

## TABLE OF CONTENTS

1	SUMMARY .....	3
2	RISK FACTORS .....	8
2.1	Risks related to the Group's business and the industry in which it operates .....	8
2.2	Risks related to the Group's financial position .....	14
2.3	Risks related to legal matters .....	15
2.4	Risks related to the Bonds.....	17
3	RESPONSIBILITY FOR THE PROSPECTUS.....	20
4	GENERAL INFORMATION .....	21
4.1	Other important investor information .....	21
4.2	Presentation of financial information.....	21
4.3	Other information.....	24
4.4	Cautionary note regarding forward-looking statements .....	27
5	THE BONDS .....	29
5.1	Main terms of the Bonds.....	29
5.2	Bondholders rights.....	34
5.3	Reasons for the Listing and the use of proceeds .....	36
5.4	Tax warning .....	37
5.5	No credit ratings .....	37
6	BUSINESS OF THE GROUP .....	38
6.1	Introduction.....	38
6.2	The principal market in which the Issuer competes .....	38
6.3	Competitive strengths.....	40
6.4	History and important events .....	42
6.5	Overview of the Group's business .....	44
6.6	Research and development.....	55
6.7	Material agreements outside the ordinary course of business.....	56
6.8	Governmental, legal and arbitration proceedings .....	56
6.9	Applicable laws and regulations .....	56
7	SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION .....	66
7.1	Introduction, basis of preparation .....	66
7.2	Selected historical financial information.....	66
7.3	Independent auditor.....	66
8	FINANCIAL OVERVIEW AND RECENT DEVELOPMENTS.....	67
8.1	General overview and recent developments .....	67
8.2	Significant changes in the financial position of the Group .....	67
8.3	Significant changes in the financial performance of the Group.....	67
8.4	Recent events relevant to the evaluation of the solvency of the Issuer .....	67
8.5	Material changes in the borrowing and funding structures .....	67
8.6	Expected financing of the Group's activities .....	67
9	THE BOARD OF DIRECTORS AND MANAGEMENT .....	69
9.1	The Board of Directors .....	69
9.2	Management .....	71
9.3	Conflicts of interests etc. ....	73
10	CORPORATE INFORMATION.....	74

10.1	Company corporate information .....	74
10.2	Legal structure.....	74
10.3	Authorized and issued share capital.....	75
10.4	Major shareholders.....	75
11	SELLING AND TRANSFER RESTRICTIONS.....	77
11.1	Selling and transfer restrictions .....	77
12	ADDITIONAL INFORMATION.....	78
12.1	Independent auditor.....	78
12.2	Advisors.....	78
12.3	Documents on display .....	78
12.4	Incorporation by reference.....	78
13	DEFINITIONS AND GLOSSARY OF TERMS .....	80

## APPENDICES TO THE PROSPECTUS:

**APPENDIX 1**    Bye-laws of BW Energy Limited

**APPENDIX 2**    The Bond Terms

## 1 SUMMARY

### SECTION A | INTRODUCTION

#### (i) Warning

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor. An investment involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

#### (ii) The securities:

This Prospectus relates to BW Energy Limited's 10% Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029

#### (iii) The issuer:

BW Energy Limited with registration number 54653 and registered address Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189 Hamilton, Bermuda. The Issuer's LEI-code is 5493004D19CJBN3DLD40. The Issuer may be contacted by telephone at +65 6632 7888.

#### (iv) The competent authority approving the Prospectus:

The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*), with registration number 840 747 972 and registered address Revierstredet 3, N-0107 Oslo, Norway. The Financial Supervisory Authority of Norway can be contacted by telephone to +47 22 93 98 00 or by e-mail to [post@finanstilsynet.no](mailto:post@finanstilsynet.no).

#### (v) The date of approval of the Prospectus:

31 October 2024.

### SECTION B | KEY INFORMATION ON THE ISSUER

#### (i) Who is the issuer of the securities?

##### Corporate information

BW Energy Limited is an exempted company limited by shares validly incorporated on 22 May 2019 and existing under the laws of Bermuda and in accordance with the Bermuda Companies Act. The Issuer is registered with the Bermuda Registrar of Companies under registration number 54653 and its LEI code is 5493004D19CJBN3DLD40. The Issuer's registered business address is Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189 Hamilton, Bermuda, which is also its principal place of business. The Issuer's website is <https://www.bwenergy.no/>.

The Issuer is the sole owner of its subsidiaries.

##### Principal activities

BW Energy is an independent energy company involved in the exploration, acquisition, development and production

of oil and natural gas fields. Since being established in late 2016, the Group has established a diversified portfolio of production and development assets offshore south-west Africa and Brazil, and currently holds majority interests in eight hydrocarbon licenses through its wholly owned subsidiaries.

The Group's strategy focuses on utilising existing offshore oil and gas production facilities to reduce development costs, accelerate project delivery and minimise carbon emissions.

#### Major shareholders

As of the date of this Prospectus, the Issuer's five largest shareholders are as set out below:

Shareholder	No. of Shares	Percentage
BW Energy Holdings Limited	197,343,997	76.49%
BNP Paribas	14,858,749	5.76%
DNB Luxembourg S.A.	3,881,010	1.50%
Brown Brothers Harriman (Lux.) SCA	3,415,163	1.32%
Clearstream Banking S.A.	2,818,237	1.09%

#### Key managing directors

The Issuer's management consists of the following individuals:

- Carl Krogh Arnet, CEO
- Brice Morlot, CFO
- Lin Garner Espey, Chief Operating Officer
- Thomas Kolanski, Chief Commercial Officer
- Thomas Young, Chief Strategy Officer
- Tara Leiter, Executive Vice President and General Counsel
- Liana Almeida, Senior Vice President of Human Capital
- Jerome Bertheau, Executive Vice President – Global Projects

#### Statutory auditor

The Issuer's independent auditor is KPMG, with registration number 935 174 627 and with registered address Sørkedalsveien 6, NO-0369, Oslo, Norway. The partners of KPMG are members of the Norwegian Institute of Public Accountants (Nw.: *Den norske Revisorforening*).

- **What is the key financial information regarding the issuer?**

Financial information in the Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 (the "**Annual Financial Statements**"), prepared in accordance with the IFRS<sup>®</sup> Accounting Standards as adopted by the EU ("**IFRS Accounting Standards**"). The Annual Financial Statements are presented in USD and have been audited by KPMG AS ("**KPMG**"). The audit reports are issued without any qualifications, modifications of opinion or disclaimers; and
- Unaudited interim financial statements for the Issuer as of and for the six months' period ended 30 June 2024, with comparable figures for the six months' period ended 30 June 2023 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the EU ("**IAS 34**"). The Interim Financial Statements are presented in USD and have not been subject to audit review.

The following summarizes the consolidated financial data of the Group as derived from the Financial Information:

Consolidated statement of income

(in USD million)	Six months ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Total revenue	346.2	169.8	507.3	277.6
Operating expenses	(160.6)	(112.0)	(266.3)	(123.4)
Operating profit before depreciation, amortisation and impairment	185.6	57.8	241.0	154.2
Operating profit	113.6	25.0	141.1	94.1
Net financial items	(21.6)	(8.9)	(18.6)	(10.3)
Profit/(loss) before tax	92.0	16.1	122.5	83.8
Net profit/(loss) for the year	61.9	0.3	81.0	45.0

Consolidated statement of financial position

(in USD million)	Six months ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Total assets	1,978.7	1,369.7	1,740.4	1,215.7
Total equity	759.8	616.2	697.6	615.3

Consolidated statement of cash flows

(in USD million)	Six months ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Net cash from operating activities	85.1	71.3	181.0	168.5
Net cash flow used in investing activities	(205.4)	(149.0)	(326.7)	(238.2)
Net cash flow from/(used in) financing activities	170.3	100.4	129.1	129.6
Cash and cash equivalents at the end of the period	244.2	233.5	194.2	210.8

**(ii) What are the key risks that are specific to the issuer?**

Risks related to the Group's business and industry in which it operates

- Variations in oil and gas prices, as well as developments in the global oil and gas market may materially affect the Group's business
- The Group is exposed to risks in relation to exploration, development, production and related activities
- The estimated volumes of the Issuer's reserves and resources are by their nature uncertain
- Development of oil and gas reserves requires significant investments and there can be no certainty of commercially viable development and production
- The Group faces risks related to decommissioning activities and related costs
- The Group is exposed to concentration risks as the Group's production is concentrated in a limited number of fields
- The Group may not be able to control decisions made regarding assets where there is joint ownership with partners

Risks related to the Group's financial position

- The Group's financing agreements contain financial covenants which the Group could fail to meet
- The Group is exposed to liquidity risk due to liquidity being held in banks with lower credit rating
- The Group is exposed to exchange rate risks

Risks related to legal matters

- The regulatory framework for hydrocarbon operations in countries where the Group operates and owns assets is still developing and changes to the legal framework and enforcement may happen suddenly and be material and detrimental to the Group's operations
- The Group is subject to a wide variety of environmental laws and regulations and amendments to such regulations and/or non-compliance may expose the Group to risks

**SECTION C | KEY INFORMATION ON THE BONDS****(i) What are the main features of the securities?**Type, class and ISIN

The Bonds are senior unsecured bonds, electronically registered in dematerialized form with the Norwegian central securities depository, Verdipapirsentralen ASA, and with ISIN NO0013259663. The Bond Issue is governed by the Norwegian law bond terms entered into on 19 June 2024 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders (the "**Bond Trustee**"). Pareto Securities AS acts as Paying Agent (as defined in the Bond Terms).

Currency, par value and number of securities

The Bonds are issued in USD, each with an Initial Nominal Amount of USD 1,000 (as defined in the Bond Terms). The total amount of Bonds issued were USD 100,000,000. The tenor of the Bond Issue is five (5) years, with Issue Date (as defined in the Bond Terms) on 21 June 2024 and Maturity Date (as defined in the Bond Terms) on 21 June 2029.

Rights attached to the securities

Each Bond will accrue interest at the rate of 10.00 percentage points per annum on the nominal amount for each interest period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the interest period.

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

Transfer restrictions

Subject to the restrictions set forth in clause 11 (Purchase and Transfer of Bonds) of the Bond Terms, the Bonds are freely transferable and may be pledged. Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense. Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Bond Terms.

**(ii) Where will the securities be traded?**

The Issuer will apply for the Bonds to be listed on the Oslo Stock Exchange on 31 October 2024 as soon as possible after this Prospectus has been approved by the Norwegian FSA.



The Issuer expects that the Bonds will commence trading on the Oslo Stock Exchange on or around 4 November 2024 under the ticker code "BWE".

The Issuer has not applied for admission to trading of the Bonds on any other stock exchange, regulated market or multilateral trading facility, and the Bonds have not previously been subject to public trading.

**(iii) What are the key risks that are specific to the securities?**

- The Issuer is predominantly a holding company and is dependent upon cash flow from its subsidiaries to meet its obligations under the Bonds
- The Bonds are unsecured and will be effectively subordinated to any secured debt of the Issuer
- The Bonds are structurally subordinated to liabilities of the Issuer's subsidiaries

## SECTION D | KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

**(i) Under which conditions and timetable can I invest in this security?**

Admission to trading

Trading in the Bonds on the Oslo Stock Exchange is expected to commence on or around 4 November 2024, see (ii) "*Where will the securities be traded?*" above.

**(ii) Why is this Prospectus being produced?**

Reasons for the admission to trading

This Prospectus has been prepared in order to facilitate for the Listing and subsequent trading of the Bonds on the Oslo Stock Exchange.

## 2 RISK FACTORS

*This Prospectus is a listing prospectus. An investment in the Bonds involves inherent risk. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the principal known risks and uncertainties faced by the Group as of the date hereof that the Issuer believes are the material risks relevant to an investment in the Bonds. An investment is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.*

*The risk factors included in this Section 2 are presented in a limited number of categories, where each risk factor is sought to be placed in the most appropriate category based on the nature of the risk it represents. While the most material risk factor in each category is set out first, the remaining risk factors in each section are not ranked in order of materiality or probability of occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risk factor is not genuine or poses a potential threat to the Group. If any of the following risks were to materialize, individually or together with other circumstances, they could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Bonds, resulting in loss of all or part of an investment in the Bonds. Additional factors of which the Issuer is currently unaware or which it currently deems not to be risks, may also have corresponding negative effects.*

### 2.1 Risks related to the Group's business and the industry in which it operates

#### 2.1.1 *Variations in oil and gas prices, as well as developments in the global oil and gas market may materially affect the Group's business*

The Group's operations and income is reliant on the sale of oil and gas products or its field interests or discoveries. Decreases in oil and gas prices and fluctuations in investments in offshore developments will therefore materially affect the Group's business, financial condition, results of operations and prospects in several ways, including:

**Reduced revenue from the sale of hydrocarbons:** Decreases in oil and gas prices will affect the prices at which the Group is able to sell the hydrocarbons it produces. The production and sale of hydrocarbons account for all or substantially all of the Group's revenue and income. Accordingly, the Group's results of operations and cash flow are significantly impacted by the price at which it is able to sell crude oil and gas. Oil and gas prices are significantly impacted by international crude oil supply and demand, which is affected by many factors that are beyond the Group's control, including global economic and political conditions and market expectations with respect to future supply of petroleum and petroleum products.

**Decreasing the value of the Group's oil and gas reserves:** Sustained lower oil and gas prices may cause the Group to substantially adjust the book value of its oil and gas reserves. If this occurs, or the Group's estimates of production or economic factors change, the Group may be required to write-down the carrying value of its proved oil and gas assets for impairments. In addition, the depreciation of oil and gas assets charged to its income statement is dependent on the estimate of its oil and gas reserves. Low prices for oil and gas for a sustained period of time may also be detrimental to the Group's ability to raise new equity or debt financing on satisfactory terms, or at all.

**Causing the Group to default on contractual obligations:** Low oil and gas prices may lead to a reduction in revenues to cover operating costs and exploration as the Group may have to scale down its investment budgets. This could directly affect the results of the Group's operations and future prospects. Prolonged lower oil and gas prices may cause the Group to default on contractual obligations, license commitments towards governments or partners or force the Group to terminate e.g. drilling contracts, which may trigger high termination penalties. The Group's

strategy to develop its hydrocarbon fields in phases to allow the production and the surrounding organization to grow organically through self-financing and reduced initial capital expenses is dependent on estimates of current and future market conditions. If market conditions deteriorate, the Group may be unable to execute new phases of development at its fields or such phased developments may be delayed. This could materially affect the prospects of the Group.

#### *2.1.2 Exploration, development, production and related activities involve a high degree of risk*

The Group develops oil and gas resources and reserves into commercial production of hydrocarbons. Such exploration, development and production activities involve a high degree of risk. Investors should in particular note:

*Ongoing production may be restricted, delayed or terminated:* The Group's ongoing production at Dussafu and Golfinho (as described in Section 6.5) may be restricted, reduced, delayed or terminated due to a number of internal or external factors, among which are hydrocarbon discharge, malfunctioning of production facilities and equipment (incl. the FPSO and production platform at Dussafu and FPSO at Golfinho), administrative delays (particularly in the approval of development projects by public authorities), shortages or delays in the availability of drilling and/or production rigs and delivery of equipment and materials, unexpected geological pressures or irregularities in geological formations, accidents, adverse weather conditions and malicious actions.

*Ongoing and future drilling activities may be delayed or yield disappointing results:* The Group's current drilling campaign at Dussafu and future, planned drilling campaigns on the Group's assets are exposed to many of the same risks as the production activities. If any such events materialize, they could result in environmental damage and injury to persons and loss of life. They could also result in significant delays to drilling programs, a partial or total shutdown of operations and production, significant damage to the Group's equipment and equipment owned by third parties and personal injury claims being brought against the Group. There is also a risk that the drilling activities will yield worse-than-expected results which may lead to reduced production outlook and reduced estimated recoverable reserves and resources from the assets.

*Consequences of production or drilling difficulties:* The abovementioned events could also put at risk some or all of the Group's licenses or production sharing contracts which enable it to operate, and could result in the Issuer incurring significant civil liability claims, significant fines or penalties as well as criminal sanctions potentially being enforced against the Group and/or its officers. The Group may also be required to curtail or cancel any operations on the occurrence of such events. Any of the foregoing could materially and adversely affect the Group's business, prospects, financial condition and results of operations.

*Key equipment failures may impact production:* Electrical submersible pumps, gas lift compressors, valves and other critical equipment are essential for maintaining production levels in the Group's offshore operations. Such equipment is susceptible to technical failure, which can occur due to mechanical breakdown, electrical issues, improper installation and other causes. Due to the critical nature of such equipment, any such technical failure may result in production downtime and have a direct and immediate impact on production efficiency and profitability. Furthermore, repairing or replacing such equipment often involves complex and costly interventions which may require mobilization of specialized equipment and personnel. These risks, if realized, could materially and adversely affect the Group's ability to sustain production levels, result in increased costs and reduced profitability, and have a negative impact on the Group's business, prospects, financial condition and results of operation.

### *2.1.3 The estimated volumes of the Issuer's reserves and resources are by their nature uncertain*

The Prospectus includes information relating to the reserves and resources of certain of the Issuer's assets. Reference is in particular made to Section 6.5 "Overview of the Group's business" in regard to reserves, resources and prospective resources.

The estimated hydrocarbon reserves and resources of the Group's assets form the basis of the Group's estimates of its future production, exploration and development and accordingly the Group's financial planning and future development and investments, and are therefore crucial to the Group's business and results. These estimates are based on studies, assumptions and calculations involving varying degrees of certainty, which entail an inherent risk that the estimates in the future may prove to be inaccurate or incorrect. This may, for instance, be caused by new data or information gathered from exploration, drilling, ongoing interpretation, testing and production, which may result in substantial upward or downward revisions of the Group's reserves and resources. Importantly, the oil and gas price assumptions that the estimates are based on may differ materially from future prices which may significantly reduce the economic value of reserves.

If uncertain factors that are incorporated into reserve measures and measures of resources materialize in unexpected ways, this may materially affect the Group's estimates of production, capital expenses or income, which may require the Group to write down the value of its assets. Further, the depreciation of oil and gas assets charged to the Group's income statements is based on the estimate of the Group's oil and gas reserves. The forward-looking statements in this Prospectus regarding the profitability and outlook for economically sound development and economically viable production in respect of the Group's licensed oil and gas fields are intrinsically linked to such estimated reserves and contingent resources. If any of the assumptions on which the estimates are made prove to be incorrect, the Group may be unable to produce the amount of hydrocarbons set out in this Prospectus, which would have a material adverse effect on the Group's business, prospects, financial condition and results of operation.

An investor should take into account that any and all measures of reserves and resources set forth in this Prospectus are not certainties. Contingent and prospective resources are inherently more uncertain than proven, probable and possible reserves.

### *2.1.4 Development of oil and gas reserves requires significant investments and there can be no certainty of commercially viable development and production*

The Group is currently involved in the production and development of oil and gas fields in several locations, as further described in Section 6.5 "Overview of the Group's business". Exploration for and development of oil and gas reserves requires significant investments often many years in advance of any actual production and related production revenue. Construction of production facilities, drilling of production wells, and implementation of extraction and exploitation technology to harvest the hydrocarbons from the wells, as well as the actual operation of the production facilities, require significant investments with respect to money, time and expertise. The exact amounts and time needed to fulfil such necessary investments are difficult to calculate with precision, especially taking into account that oil and gas operations may span decades.

In combination with the fact that oil and gas exploration, development and production require considerable investments, and that the price of hydrocarbons fluctuates significantly, a failure by the Group to produce hydrocarbons from a developed field in a viable way may have a material effect on the Group's business, prospects, financial condition and results of operation.

#### *2.1.5 The Group faces risks related to decommissioning activities and related costs*

The Group is exposed to significant abandonment and decommissioning liabilities for both the Dussafu and Golfinho licenses, as well as other future field developments. For the Dussafu license, the liability currently entails the removal of the FPSO *Adolo*, the *MaBoMo* production platform, and the plugging and abandoning of production wells. For the Golfinho license, the abandonment currently entails the removal of the Cidade de Vitoria FPSO and the plugging and abandonment of existing production wells (all of which were drilled by the previous operator) as well as future production wells. The Group is in the process of having a revised field development plan approved based on further planned development activities, which will extend the expected field life. There are significant uncertainties relating to the estimated liabilities, costs and time for decommissioning of the current and future facilities and infrastructure on the fields the Group is or will be holding interests in. It is therefore difficult to forecast accurately the costs that the Group will incur in satisfying decommissioning liabilities. Decommissioning also requires complex engineering, procurement and execution of decommissioning work, giving rise to the risk of inadequate engineering, procurement or execution resulting in delays, cost overruns, damage to facilities and properties, environmental damage, injury to persons and loss of life.

There is a risk that the anticipated cost and timing of removal may not be correct, and any deviation from current estimates, increased collateral requirements from authorities in respect of decommissioning liabilities or significant increases in decommissioning costs relating to the Group's previous, current or future exploration and production assets may have a material adverse effect on the Group.

#### *2.1.6 The Group's production is concentrated in a limited number of fields*

The Group's production operations are currently limited to the production at the Tortue and Hibiscus fields in the Dussafu license, located in Gabon and the Golfinho license located in Brazil. These two licenses currently represent the Group's only sources of revenue. Any interruption in the production at either license may materially affect the Group's operational and financial performance, including its ability to service its ongoing obligations, explore for and develop new assets and realize its business plan. Such events would have a material effect on the Group's business, prospects, financial condition and results of operation.

Both the Dussafu and the Golfinho licenses are developed with and produced through FPSOs. Any downtime, damages or unforeseen interruptions on either FPSO or other critical infrastructure such as the *MaBoMo* production platform located at the Hibiscus field on the Dussafu license may materially reduce the Group's daily production, thus materially affecting the cash flow and results of the Group and can be costly to remedy. Operational downtime will affect the Group's results more significantly than it would for a company with production at more than two locations and with more than two production units.

#### *2.1.7 The Group operates in developing countries with political, economic and social uncertainties*

The Group participates in oil and gas projects in emerging economies, principally in Gabon, Namibia and Brazil. Oil and gas exploration, development and production activities in such emerging markets are subject to significant political and economic uncertainties that may have a material adverse effect on the Group. Uncertainties include, but are not limited to, the risk of war, piracy and terrorism, changes in crude oil or natural gas pricing policies and the imposition of currency controls.

Developing economies are subject to rapid change and the information set forth in this Prospectus may become outdated relatively quickly. There may also be uncertainties related to the imposition of international sanctions in the countries in which the Group operates, e.g. freezing of assets. Gabon, where the Group has one of its two

producing assets (Dussafu), also experienced a military coup following the election in 2023, and has previously experienced a number of attempted coups. This serves to illustrate that there is a material risk of sudden and adverse changes in the political climate and civil stability in the countries which the Group operates and has assets. The uncertainties listed above, all of which are beyond the Group's control, could have a material adverse effect on the Group's business, prospects, financial position and/or results of operations.

The Group may require licenses or permits from various governmental authorities to carry out future exploration, development and production activities. There is a risk that the Group will not be able to obtain all necessary licenses and permits when required.

#### *2.1.8 The Group is exposed to acts of piracy on units*

The Group is exposed to acts of piracy on units which could adversely affect the Group's business and result in increased costs of operations. Acts of piracy have historically occurred in jurisdictions where the Group operates, such as the west coast of Africa, and there is a risk that acts of piracy will continue to occur in this area, as well as other regions. Detention or hijacking as a result of an act of piracy against the unit, or an increase in cost or unavailability of insurance for the Group's units, could have significant impact on the Group's profitability and creditworthiness.

#### *2.1.9 The Group operates in countries with a high risk of corrupt practices*

The Group operates and owns assets in countries which have a low score on Transparency International's Corruption Perception Index<sup>1</sup>, which implies that these countries are perceived as jurisdictions where there is a higher risk of corruption. The production sharing contracts and licenses held by the Group in such jurisdictions provide for payments to the governments of the respective countries.

Further, the Group has partners and may engage agents, consultants and representatives in these jurisdictions. Although the Group believes that all its agency and consultancy agreements are entered into on market terms and that its agents, consultants and representatives conduct their business in accordance with applicable laws, there is a risk that agents, consultants and other persons acting on behalf of the Group may engage in corrupt activities, misconduct, fraud or noncompliance with applicable government laws and or contractual obligations, or other improper activities without the knowledge of the Group. Failure by agents, consultants and representatives to comply with applicable laws, regulations and contractual obligations or acts of misconduct could subject the Group to fines and penalties and suspension, sanctions, debarment from contracting or remedies for contractual breaches (such as termination of contracts), any or all of which could harm the Group's business and reputation, subject the Group to administrative, criminal or civil enforcement actions. Although the Group has put in place internal regulations and contractual commitments with a view to limiting such risks, such measures cannot mitigate such risks entirely, and any such practices by third parties or anyone working for the Group, or allegations of such corrupt practices, may have a material adverse effect on the reputation, performance, financial condition, cash flow, prospects and results of the Group.

#### *2.1.10 The Group may not be able to control decisions made regarding assets where there is joint ownership with partners*

The Group has partners in most of its oil and gas assets. From time to time, joint ownership may lead to discussions and disagreements regarding e.g. the operation, funding and future plans for the different assets. The Group has

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<sup>1</sup> Source: Transparency International's Corruption Perception Index, 2023, [https://www.transparency.org/en/cpi/2023?gad\\_source=1&gclid=Cj0KCQjws560BhCuARIsAHMqE0EqJpNMu3YcGyJWKKu-SAPU5eJkQWxf9He6HIWTP0VSBcmvyHyF4s0aAuc1EALw\\_wcB](https://www.transparency.org/en/cpi/2023?gad_source=1&gclid=Cj0KCQjws560BhCuARIsAHMqE0EqJpNMu3YcGyJWKKu-SAPU5eJkQWxf9He6HIWTP0VSBcmvyHyF4s0aAuc1EALw_wcB).

for instance for some time been in discussions and negotiations with NAMCOR regarding their joint ownership of the Kudu license, see Section 6.5.7 "Kudu".

The operating agreements pertaining to these jointly owned assets provide that the partner(s) must be consulted or must provide its consent in relation to significant matters pertaining to the development or exploration of the asset. Accordingly, while the Group generally has control over day-to-day management and operations of its assets, it may be unable to undertake certain activities because of opposition from a partner, or it may experience delays in undertaking activities due to time taken to obtain the consent of the relevant partner. Any such opposition or delay could result in losses or increased costs to the Group.

If a partner elects not to participate in or consent to activities that require the partner's consent, it may not be possible for such activities to be undertaken by the Group alone or in conjunction with other participants at the desired time or sequence or at all. Further, partners may default on their obligations to fund capital or other funding obligations in relation to the assets. In such circumstances, the Group may be required under the terms of the relevant operating agreement or otherwise to contribute all or part of such funding shortfall itself, and the Group may not have the resources to meet these obligations.

Any disagreement, absence of consent, delay, opposition, breach of agreement, or inability to undertake activities or failure to provide funding of the kind identified above could adversely affect the Group's business, prospects, financial condition and results of operation.

#### *2.1.11 The Group depends on access to infrastructure for the transport of the Group's hydrocarbon products*

The Group depends on infrastructure elements such as tankers to transport its hydrocarbons from the production sites to the designated customers. Current production at the Dussafu and Golfinho licenses relies on, and the production at Maromba is planned to rely on, tankers to transport oil from the floating production and storage units. Continued production at the fields requires frequent offloading of oil as the offshore storage units have limited capacity. If the Group is unable to book sufficient tanker capacity to offload from the floating storage units, e.g. in the event of war or turmoil in the area, international sanctions on the countries in which the Group produces or extreme weather conditions, upstream production may have to stop until there is available storage capacity. Any shutdowns in upstream production will materially affect the cash flow and results of operations of the Group. Unexpected limitations in the transport capacity and the ensuing shutdown of production at any of the fields could cause the Group to default on the Group's obligations to customers, which in turn could affect the Group's cash flow and results of operation, as well as the reputation of the Group.

#### *2.1.12 The Group's E&P licenses are for fixed terms of a limited duration*

Licenses for the exploration, development and production of hydrocarbons are granted for set terms which will expire from time to time. The Group will seek to extend such licenses where it is considered to be in the best interest of the Group. However, for instance with respect to the Dussafu and Kudu licenses, the Group is not the only stakeholder in the license. There is no guarantee that the other stakeholders will share the Group's assessment of whether an extension of the license is sound and in the best interest of the stakeholders. Further, such extensions may be coupled with new conditions from the relevant authorities which may have a negative financial impact or be detrimental to the Group, e.g. profitability if royalty rates change.

When the production sharing contracts or licenses expire and a suitable extension is not forthcoming or obtainable, the Group may be unable to fulfil its obligations towards the buyers of the hydrocarbons the Group produces. Further, if a license unexpectedly terminates before its set term, suppliers may charge considerable termination fees and penalties. This may have a material adverse effect on the Group's financial position and results.



In respect of Golfinho, the Group plans to seek an extension of the license. However, the Brazilian regulatory authorities have the discretionary right to decide whether or not to approve such request for extension. Similarly, a successful outcome in relation to potential exploration activities on the Kudu license in Namibia is likely to result in a requirement to extend the production license term, which may not be granted by the Namibian authorities. Please see Section 6.9 for more information regarding the license extension.

#### *2.1.13 The Group is to a certain extent dependent on agreements with related parties*

The Group has entered, and may in the future, enter into agreements with BW Offshore Limited (the largest shareholder in which is BW Group Limited, the majority owner of the Issuer), or parties related to BW Offshore Limited (together, "**BW Offshore**"), such as the bareboat charter agreement between BW Energy Gabon S.A. and BW Offshore France SAS in relation to the BW *Adolo* FPSO, and a service agreement between BW Energy Gabon S.A. and Tinworth Gabon S.A. for the operations and maintenance of the BW *Adolo* FPSO during the charter. The Group is dependent on these and other contracts with BW Offshore. The Group cannot assure that conflicts of interest will not arise in the future, including in relation to, or as a result of, new business opportunities. In the event of a conflict of interest, BW Offshore may seek to terminate existing arrangements with the Group. Replacing the Group's arrangements with BW Offshore would be costly and time consuming, in particular in relation to the BW *Adolo* FPSO, which is in operation at Dussafu. The Group may not be able to find another supplier with the same extensive knowledge of the Group's operations, and there is no certainty that the Group would be able to contract in the services on the same or more favorable terms than the current terms of the arrangements with BW Offshore. Accordingly, a conflict of interest or termination of any such contract may have a material adverse effect on the Group's business and operating results.

#### *2.1.14 The Group's insurance or indemnities may not adequately cover all risks, liabilities or expenses that could result from its operations*

The Group's offshore oil and gas operations are subject to all the significant risks and hazards typically associated with such operations, including, but not limited to, fires, explosions, blowouts, and oil spills, each of which could result in substantial damage to oil and gas wells, production facilities, other property, and the environment, or result in personal injury and business interruption. Although the Group maintains liability insurance that the Issuer considers adequate and consistent with industry standards, the Group may not be fully insured against all risks it may face and not all risks are insurable or only insurable at a disproportionately high cost. The nature of the hazards and risks typical for the Group's industry is such that liabilities could materially exceed policy limits or not be insured at all due to cover not being available or exclusions for which a buy-back may not be available or is deemed unaffordable, which may result in substantial financial liability or losses. Payment by the Group's insurers of any insurance claims may result in increases in the premiums payable by the Group for its insurance cover and adversely affect the Group's financial performance. In the future, some of the Group's insurance coverage may become unavailable or prohibitively expensive. This could be due to insurers withdrawing from insuring oil and gas operations. Further, any uninsured loss or liabilities, or any loss and liability exceeding the insured limits, may have a material adverse effect on the Group.

## **2.2 Risks related to the Group's financial position**

#### *2.2.1 The Group's financing agreements contain financial covenants which the Group could fail to meet*

The Group primarily finances its operations through equity, its own cash flow and interest-bearing debt, including structurally-senior secured financing at the asset level. The Group's financing arrangements contain certain covenants and general undertakings which impose restrictions on the Group's operations, and impose financial restrictions on the Group, as well as covenants that require specific actions from the Group including in relation to, *inter alia*, compliance with laws, continuation of business, corporate status, operations, mergers and de-mergers,



arm's length transactions, insurances, incurrence of debt and granting of financial support, disposals, dividends and hedging. Any default or failure to comply with such covenants may result in acceleration of the Group's indebtedness and, in respect of any secured financing, enforcement of security over a substantial portion of the Group's assets, which could result in an investor losing its investment in the Bonds in whole or in part. Any such default or failure to comply may also lead to stricter dividend restrictions being imposed by the lenders, which could have a negative effect on the Issuer's ability to meet its obligations under the Bond Terms (as defined in Section 5 "The Bonds").

#### **2.2.2** *The Group is exposed to liquidity risk due to liquidity being held in banks with lower credit ratings*

The Group may in future hold a portion of its liquidity in banks with credit ratings lower than investment grade. Banks with lower ratings generally have a higher risk of financial instability, which can result in reduced access to funds during periods of financial stress. This may impact the Group's ability to meet its short-term payment obligations and operational needs and increase the likelihood of financial losses in the event of a bank failure, which could have a negative effect on the Issuer's ability to meet its obligations under the Bond Terms.

#### **2.2.3** *The Group is exposed to exchange rate risks*

The functional currency of the Group and most of its subsidiaries is USD. As a consequence of its international operations, the Group is exposed to expenses incurred in currencies other than USD, the major currencies being Norwegian Kroner (NOK), Singapore Dollars (SGD), Central African CFA franc (XAF), Brazilian Reals (BRL), Euro (EUR), Central African Franc (CFA) and Namibian dollars (NAD).

The Group is exposed to exchange rate risk primarily due to its operations in Gabon and Brazil, as both countries use local currencies (XAF and BRL respectively) for a material portion of operational costs, while the company's revenues are predominantly in USD. Operating expenses denominated in NOK, SGD, XAF, BRL, EUR, CFA and NAD constitute a part of the Group's total operating expenses. However, capital expenditures related to ongoing conversions of FPSOs and the construction contracts regarding oil field related equipment will to some extent be denominated in other currencies than USD. Consequently, fluctuations in the exchange rate of NOK, SGD, XAF, BRL, EUR, CFA and NAD may have a significant impact on the financial statements of the Group. The exchange-rate risk is calculated for each foreign currency and it takes into account assets and liabilities, liabilities not recognized in the balance sheet and expected purchases and sales in the currency in question.

The Company enters into hedging instruments to mitigate the effects of exchange rates fluctuations. Such hedging transactions could represent financial expenses and will only combat the short term effects of exchange rate fluctuations. If the Group does not enter into hedging transactions, the Group may be more susceptible to exchange rate fluctuations.

### **2.3 Risks related to legal matters**

#### **2.3.1** *The regulatory framework for hydrocarbon operations in countries where the Group operates and owns assets is still developing*

As the legal framework and systems in some of the jurisdictions in which the Group operates, such as Namibia, are relatively recent and developing, changes to the legal framework and enforcement may happen suddenly and be material and detrimental to the Group's operations. New laws in such jurisdictions are often complex and less accessible than in more developed jurisdictions, and it may require considerable time and resources to ensure compliance with such laws. Any such changes to the legal framework and policies may materially affect the Group's financial and operating conditions and prospects. Further, there may be limited legal protection and opportunities to defend and enforce legal rights to assets and operations in some of the jurisdictions in which the Group has operations or assets with any certainty. This may for example be due to a high degree of discretion on the part of

public authorities, lack of judicial/administrative guidance and precedents to interpret the laws and regulations or inconsistencies between laws.

### *2.3.2 The Group may be impacted by adverse changes in law, regulation and governmental practice*

Applicable laws and regulations, including with respect to tax, and the interpretation and enforcement of these (including challenges to the Group's operating structure and tax payments) can be highly complex and subject to interpretation and change. Any adverse changes to the legal framework could materially affect the financial condition, results and prospects of the Group. Under laws and regulations applicable to the Group in Brazil, Gabon and Namibia, the Group is required to obtain and maintain certain governmental licenses and approvals, and the process of obtaining such licenses may be difficult or time consuming. Further, there can be no guarantee that the Group is able to obtain such necessary licenses and approvals.

### *2.3.3 The Group is subject to a wide variety of environmental laws and regulations*

The Group operates in an industry that is subject to extensive local, national and international environmental laws and regulations, which have become more stringent over time. The Group's operations also require the Group to obtain and comply with the terms and conditions of multiple environmental permits. Many of these permits are difficult and costly to obtain and could be subject to legal challenges.

Increased focus and attention on climate change, fossil fuel extraction and greenhouse gas emissions may lead to an increased rate of changes to the regulatory frameworks and policies pertaining to the Group's operations. The adoption of an increasingly strict regulatory framework and policies could result in substantially increased compliance costs and liabilities. Increased operational requirements could reduce the Group's profit margins and earnings and could have a material adverse impact on the Group's business, results of operations, cash flows, financial condition and prospects.

Failure to comply with environmental laws, regulations and permits may result in significant civil liability claims, fines or penalties as well as criminal sanctions potentially being enforced against the Group and/or its officers, and withdrawal of permits. The Group may also be required to curtail or cancel any operations in case of failures to comply with such laws, regulations and permits, which could materially affect the Group's reputation, results of operation, financial condition and prospects. The Group has eight licenses, and only the Dussafu and Golfinho licenses are in production. The limited extent of the Group's production and income-generating activities entails that the Group is particularly exposed to the consequences of such events.

### *2.3.4 Increased enforcement of IMF and CEMAC restrictions on the transfer of foreign currency from Gabon*

In December 2018, the International Monetary Fund ("IMF") and the Central Africa Economic and Monetary Commission ("CEMAC") renewed certain foreign currency controls in the CEMAC area which, *inter alia*, include provisions regarding repatriation of foreign currency from the sale of oil to the local currency, Central African Francs (CFA), and controls on access to foreign currency. The foreign currency restrictions include a requirement for special approvals to open certain bank accounts, prohibition of foreign currency withdrawals inside CEMAC area, requirements for all loans to be declared with the local central bank and possibility of forced conversion of funds held in USD to CFA. If the foreign currency restrictions were to be imposed on and enforced against the Group, this could restrict the Group's ability to repatriate earnings from the operations at Dussafu, pay dividends from subsidiaries in Gabon to the Issuer in order to make payments of principal and interest on the Bonds, and subject the directors of non-compliant group companies to fines and other penalties. The imposition of the foreign currency restrictions may have a material adverse effect on the Group's business, operations, cash flows and financial condition.

### 2.3.5 *Legislation enacted in Bermuda in response to the European Union's review of harmful tax competition*

Bermuda has enacted legislation that requires certain entities in Bermuda engaged in "*relevant activities*" (as defined by the European Union Economic and Financial Affairs Council) to maintain a substantial economic presence in Bermuda and to satisfy economic substance requirements. The list of "*relevant activities*" includes, *inter alia*, headquarters and holding entities. At present, it is unclear what (if anything) the Issuer would be required to do in order to satisfy economic substance requirements in Bermuda. However, to the extent the Issuer is required to increase its substance in Bermuda to satisfy such requirements, it could result in additional costs that could adversely affect the Issuer's financial condition or results of operations. Failure to comply with such substance requirements may lead to disclosure to competent authorities in the European Union, financial penalties, restriction or regulation of the Issuer's business activities and/or the Issuer being struck off as a registered entity in Bermuda.

## 2.4 **Risks related to the Bonds**

### 2.4.1 *The Issuer is predominantly a holding company and is dependent upon cash flow from its subsidiaries to meet its obligations under the Bonds*

The Issuer depends on obtaining cash from its subsidiaries in order to have the funds necessary to pay the principal of and interest on the Bonds and to meet its other obligations. The ability of the subsidiaries to pay distributions, dividends, intercompany debt and other payments to its direct and indirect parent entities, including the Issuer, may be restricted by, among other things, the availability of cash flows from operations and applicable corporate, tax and other laws and other agreements to which the subsidiaries are party. In addition, certain subsidiaries of the Issuer are restricted by the terms of their financings from paying dividends, and the quantity and frequency of dividends that may be paid to the Issuer may fluctuate based on factors outside the Issuer's control. Compliance with such restrictions may limit the amounts available for such distribution or transfer or may lead to such distributions or transfers being subject to costs, deductions and withholdings.

Furthermore, all cash in the Group may be held in bank accounts of subsidiaries which are pledged in favor of secured creditors, and may become unavailable to the Issuer or the bondholders (a "**Bondholder**", and collectively the "**Bondholders**") in a default or enforcement scenario. The inability to transfer cash from the Issuer's subsidiaries, whether in the ordinary course or in an enforcement scenario, may result in the Group not being able to meet its obligations under the Bond Terms, which could result in an investor losing its investment in the Bonds in whole or in part.

### 2.4.2 *The Bonds are unsecured and will be effectively subordinated to any secured debt of the Issuer*

The Bonds are unsecured and the Bondholders will not benefit from any security in the event that the Issuer is unable to meet its obligations under the Bond Terms. Under the Bond Terms, the Issuer is permitted to incur liabilities ranking *pari passu* with the Bonds. In addition, the Issuer is entitled, under certain conditions, to provide security over its assets in favor of third parties, which would then primarily serve to satisfy the creditors of these further liabilities. As a result, the Bonds will be effectively subordinated to any future secured indebtedness that the Issuer may incur. Accordingly, in the event of a bankruptcy, insolvency, liquidation, dissolution, reorganization or similar proceeding affecting the Issuer, the Bondholders' rights to receive payment will be effectively subordinated to those of secured creditors up to the value of the collateral securing such indebtedness. Other creditors may have conflicting interests with Bondholders in the event of a default and enforcement, including an incentive to initiate enforcement of their claims, which may be detrimental to the value of the Bonds. In the event of insolvency, therefore, there may be no or virtually no funds available for distribution in the insolvency estate and the Bondholders may receive no or only small payments on their claims. In addition, the cross-default provisions in the Bond Terms do not apply to non-recourse debt in subsidiaries of the Issuer, including the reserve-based lending in relation to the Dussafu license, meaning that a default in respect of any such non-recourse financing may not trigger

an event of default under the Bonds, and the Bondholders may be unable to take enforcement action in respect thereof.

#### *2.4.3 The Bonds are structurally subordinated to liabilities of the Issuer's subsidiaries*

Generally, claims of creditors of any of the Issuer's subsidiaries (which may include secured creditors, pursuant to the Bond Terms) will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of the Issuer, and will be entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer, as a direct or indirect shareholder. Accordingly, the Bonds will be structurally subordinated to all such creditors' claims against such subsidiaries and in an enforcement scenario, such creditors will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiaries (which include all the Group's oil and gas assets) before the Issuer, as a direct or indirect shareholder, will be entitled to receive any distributions.

#### *2.4.4 The Issuer may have insufficient funds to make required repurchases of Bonds*

The Bond Terms provide for certain redemption and repurchase mechanics in respect of the Bonds which entail redemption or repurchase, either voluntarily or mandatorily. The latter will be the case, inter alia, upon the occurrence of a change of control event (as described in the Bond Terms), whereby each individual holder of Bonds has a right to require that the Issuer purchases all or some of the Bonds at 101% of par value (plus accrued interest). There can be no assurance that the Issuer will have sufficient funds at the time of such event to make the required repurchase of the Bonds, should a mandatory repurchase event occur.

#### *2.4.5 The Bonds may be redeemed early at the option of the Issuer*

Under the Bond Terms, the Issuer has the right to redeem all or part outstanding Bonds before the maturity date, with the first call date being the interest payment date falling 30 months after the issue date. If the Bonds are redeemed before the final redemption date, the Issuer is required to pay the Bondholders an early redemption amount which exceeds the nominal amount outstanding under the Bond Terms. However, there is a risk that the market value of the Bonds will be higher than the early redemption amount and that it may not be possible for Bondholders to reinvest the early redemption amount at an effective interest rate as high as the interest rate on the Bonds.

#### *2.4.6 There are restrictions on the transferability of the Bonds*

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Furthermore, the Issuer does not intend to register the Bonds under any other country's securities laws. This limits the Bondholders' ability to offer or sell the Bonds in certain jurisdictions. It is each potential investor's obligation to ensure that the offers and sales of Bonds comply with all applicable securities laws. Due to these restrictions, there is a risk that a Bondholder will not be able to sell its Bonds as desired.

#### *2.4.7 There is presently no active trading market for the Bonds*

Pursuant to the Bond Terms, the Issuer has an obligation to list the Bonds on the Oslo Stock Exchange or any other regulated market (as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU ("MiFID II") and Regulation (EU) No. 600/2014 on markets in financial instruments ("MiFIR")) within nine months of the issue date. Even if the Bonds are admitted to trading, active trading in the Bonds may not occur and a liquid market for trading in the Bonds may not develop. Furthermore, if the Issuer fails to comply with the various obligations and standards of conduct imposed in connection with the listing of the Bonds, this may lead to the exclusion of the Bonds from trading. As a result of any of the foregoing, Bondholders may find it difficult or

impossible to trade their Bonds when desired or at a price level which allows for a profit comparable to similar investments.

*2.4.8 Individual Bondholders do not have a right of action against the Issuer*

In accordance with the Bond Terms, the bond trustee will represent all Bondholders in all matters relating to the Bonds, and the Bondholders will be prevented from taking action on their own against the Issuer. Consequently, individual Bondholders do not have the right to take enforcement action against the Issuer if it defaults unless a requisite majority of Bondholders agree to take such action. The bond trustee will in some cases have the right to make decisions and take actions that bind all Bondholders. It is possible that such decisions and actions will negatively affect one or more Bondholders.

*2.4.9 Bondholders may be overruled by majority votes taken in Bondholders' meetings*

The Bond Terms include certain provisions regarding Bondholders' meetings and written procedures. Such meetings and procedures may be used to reach decisions on matters relating to the Bondholders' interests. The Bond Terms allow for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting or procedure and those who have voted against the majority. Consequently, there is a risk that the actions of the majority in such matters will impact a Bondholder's rights in a manner that is undesirable to it.

### **3 RESPONSIBILITY FOR THE PROSPECTUS**

This Prospectus has been prepared in connection with the Listing of the Bonds on the Oslo Stock Exchange.

The Board of Directors of BW Energy Limited accepts responsibility for the information contained in this Prospectus. The Board Members confirm that to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

Hamilton, Bermuda, 31 October 2024

#### **The Board of Directors of BW Energy Limited**

Andreas Sohmen-Pao  
*Chair of the Board*

Darrell McKenna  
*Board Member*

Alan Dowokpor  
*Board Member*

Hilde Drønen  
*Board Member*

Russell Scheirman  
*Board Member*

Ana Zambelli  
*Board Member*

## 4 GENERAL INFORMATION

### 4.1 Other important investor information

This Prospectus has on 31 October 2024 been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval shall not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

The Issuer has furnished the information in this Prospectus. The Issuer's advisors make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future.

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither the Issuer nor the Managers nor any of their respective affiliates, representatives or advisors, is making any representation, express or implied, to any offeree or purchaser of Bonds regarding the legality or suitability of an investment in the Bonds. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

Investing in the Bonds involves a high degree of risk. See Section 2 "*Risk factors*".

### 4.2 Presentation of financial information

#### 4.2.1 *Historical financial information*

As further detailed in the following Sections, the financial information in this Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- 1) Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 (the "**Annual Financial Statements**"), prepared in accordance with the IFRS® Accounting Standards as adopted by the EU ("**IFRS Accounting Standards**"). The Annual Financial Statements are presented in USD and have been audited by KPMG AS ("**KPMG**"). The audit reports are issued without any qualifications, modifications of opinion or disclaimers; and
- 2) Unaudited interim financial statements for the Issuer as of and for the six months' period ended 30 June 2024, with comparable figures for the six months' period ended 30 June 2023 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the EU ("**IAS 34**"). The Interim Financial Statements are presented in USD and have not been subject to audit review.

For information regarding accounting policies and the use of estimates and judgements, please refer to note 2 of the Annual Financial Statements, as well as in integrated parts of the other notes of the Annual Financial

Statements. The Annual Financial Statements and the Interim Financial Statements are incorporated by reference to this Prospectus, see Section 12.4 "*Incorporation by reference*". There is no financial information in the Prospectus not extracted from the above mentioned financial statements.

#### 4.2.2 *Alternative performance measures (APMs)*

##### 4.2.2.1 *Introduction*

In order to enhance investors' understanding of the Group's performance, the Issuer presents in this Prospectus certain alternative performance measures ("**APMs**") as defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS Accounting Standards). The Issuer uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of the Group's performance. The APMs presented herein have been used in the Prospectus, and are in the Management's opinion relevant for reporting purposes after the Listing.

The APMs presented herein are not measurements of performance under IFRS Accounting Standards or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS Accounting Standards or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Issuer believes that the APMs presented herein are commonly reported by companies in the markets in which the Group competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending upon accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods. Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The Issuer uses the following APMs (presented in alphabetical order and as defined by the Issuer):

<b>EBIT</b>	<p>EBIT is defined as earnings before interest and tax.</p> <p>BW Energy presents EBIT provide useful supplemental information for understanding the underlying profit generation in its operating activities and as a measure for comparing BW Energy's operating performance with that of other companies in its industry.</p>
<b>EBITDA</b>	<p>EBITDA is defined as EBIT excluding depreciation and amortization, impairment and disposal and gain from sale of tangible fixed asset.</p> <p>BW Energy presents EBITDA provide useful supplemental information for understanding the underlying profit generation in its operating activities and as a measure for comparing BW Energy's operating performance with that of other companies in its industry.</p>



<b>EBITDAX</b>	<p>EBITDAX is defined as EBITDA excluding exploration expenses.</p> <p>BW Energy presents EBITDAX to provide useful supplemental information for understanding the underlying profit generation in its operating activities and as a measure for comparing BW Energy's operating performance with that of other companies in its industry.</p>
<b>Capital Expenditures</b>	<p>Capital Expenditures means investments in E&amp;P assets, intangible assets and property and other equipment, including asset retirement cost. Capital expenditure may differ from investment in property, plant and equipment and intangible assets presented in the Consolidated Statement of Cash Flows, as capital expenditure may also contain non-cash transactions.</p> <p>BW Energy presents Capital Expenditures to provide useful supplemental information on capitalized investments to investors for comparing BW Energy's investment activity with that of other companies in its industry.</p>
<b>Equity Ratio</b>	<p>Equity Ratio is an indicator of the relative proportion of equity used to finance BW Energy Group's assets, defined as total equity divided by total assets.</p> <p>BW Energy presents Equity Ratio to provide useful supplemental information for understanding the Group's use of leverage and as a measure for comparing BW Energy's leverage and debt management with that of other companies in its industry.</p>

#### 4.2.2.2 Calculations and reconciliations of the APMs

The tables below sets out the APMs presented by the Group in this Prospectus on an historical interim and annual basis. The table below shows the relevant APMs on a reconciled basis, to provide investors with an overview of the basis of calculation of the APMs. See Section 4.2.2.1 above for a further description of the APMs presented below.

The calculation of the APMs in this Prospectus is based on the Financial Information as further described in Section 4.2.1 "Financial information".

The table below sets forth reconciliations of **EBITDA** and **EBIT** for the periods indicated.

	Six months ended 30 June		Year ended 31 December	
(in USD million)	2024	2023	2023	2022
Total revenues	346.2	169.8	507.3	277.6
Operating expenses	(160.6)	(112.0)	(266.3)	(123.4)
<b>EBITDA</b>	<b>185.6</b>	<b>57.8</b>	<b>241.0</b>	<b>154.2</b>
Depreciation and amortisation	(72.2)	(32.8)	(99.5)	(60.1)
(Impairment)/reversal charges	-	-	(0.4)	-
Net gain/(loss) on sale of assets	0.2	-	-	-
<b>EBIT</b>	<b>113.6</b>	<b>25.0</b>	<b>141.1</b>	<b>94.1</b>

The table below sets forth reconciliation of **EBITDAX** for the periods indicated.

	Six months ended 30 June		Year ended 31 December	
(in USD million)	2024	2023	2023	2022
EBITDA	185.6	57.8	241.0	154.2
<b>EBITDAX</b>	<b>185.6</b>	<b>57.8</b>	<b>241.0</b>	<b>154.2</b>

The table below sets forth reconciliation of **Capital Expenditure** for the periods indicated.

	Six months ended 30 June		Year ended 31 December	
<i>(in USD million)</i>	2024	2023	2023	2022
Property and other equipment	123.9	125.5	583.8	210.7
Intangible assets	17.9	42.7	48.3	41.5
Total capital expenditures	141.8	168.2	632.1	252.2
Asset retirement cost	(1.1)	(11.2)	(163.4)	1.6
Change in working capital	30.8	(4.4)	(133.7)	(13.9)
<b>Capital Expenditure</b>	<b>171.5</b>	<b>152.6</b>	<b>335.0</b>	<b>239.9</b>

The table below sets forth reconciliation of **Equity Ratio** for the periods indicated.

	Six months ended 30 June		Year ended 31 December	
<i>(in USD million)</i>	2024	2023	2023	2022
Total equity (a)	759.8	616.2	697.6	615.3
Total assets (b)	1,978.7	1,369.7	1,740.4	1,215.7
<b>Equity ratio (a/b)</b>	<b>0.38</b>	<b>0.45</b>	<b>0.40</b>	<b>0.51</b>

### 4.3 Other information

#### 4.3.1 Reserves and resources information

As further detailed in this Section, the reserves and resources data in this Prospectus has been derived from the Issuer's annual statement of reserves for the year ended 31 December 2023 (the "**Annual Statement of Reserves**"). The Annual Statement of Reserves have been prepared in accordance with the 2018 Petroleum Resources Management System ("**PRMS**") approved by the Society of Petroleum Engineers (SPE).

Estimates of the oil and gas reserve and resource data are presented in accordance with PRMS as follows:

- **Reserves** are those quantities of petroleum anticipated to be commercially recoverable from known accumulations by application of development projects from a given date forward under defined conditions. Reserves must be discovered, recoverable, commercial, and remaining as of the evaluation date based on the planned development projects to be applied.
- **Proved reserves (1P)** are those quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. Proved reserves have a 90% or higher likelihood of commercial extraction.
- **Probable reserves (2P)** are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves. Probable reserves have a likelihood of recovery over 50% but less than 90%.

- **Possible reserves (3P)** are those additional reserves that analysis of geoscience and engineering data indicates are less likely to be recoverable than probable reserves. Possible reserves have a 10% likelihood of actually being produced.
- **Contingent resources (C)** are quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects but which are not currently considered to be commercially recoverable due to one or more contingencies (SPE PRMS). The contingencies may include factors like economic, legal or political matters. Contingent resources are further categorized into low case (1C), best case (2C) and high case (3C) according to the level of certainty associated with the estimates and may be sub-classified based on economic viability. Other partners involved in this any given license may have different estimates of contingent resources.

Estimated reserves presented herein may differ from estimates made in accordance with guidelines and definitions used by other companies in the industry. Typical to the industry in which the Group operates, there are a number of uncertainties inherent in estimating quantities of reserves, including probable reserves, and contingent resources. Therefore, the reserve and resource information in this Prospectus represents only estimates and such estimates are forward-looking statements which are based on judgements regarding future events and may be inaccurate. See Section 4.4 *“Cautionary note regarding forward-looking statements”*. Reserve assessment is a subjective process of estimating underground accumulations of oil and gas that cannot be measured in an exact manner. The accuracy of any reserve or resource estimate is a function of a number of variable factors and assumptions, many of which are beyond the Group's control, including the quality of available data and of engineering and geological interpretation and judgment. As a result, estimates of different reserve and resource assessors may vary. In addition, results of drilling, testing and production subsequent to the date of an estimate may justify revising the original estimate. Accordingly, due to the inherent uncertainties and the limited nature of reservoir data and the inherently imprecise nature of reserve and resource estimates, the initial reserve and resource estimates are often different from the quantities of oil and gas that are ultimately recovered. The accuracy of such estimates depends primarily on the assumptions upon which they were based and the extent of the evaluation by the relevant party. You should not place undue reliance on the ability of the estimates of reserves, including probable reserves, and contingent resources to predict actual reserves and contingent resources or on comparisons of similar reports concerning other companies, and this Prospectus should be accepted with the understanding that Group's financial performance subsequent to the date of the estimates may necessitate revision of the reserves and contingent resources information set forth herein. In addition, except to the extent that the Group acquires additional assets containing reserves and contingent resources or conduct successful exploration and development activities, or both, its reserves and contingent resources will decline as they are produced.

#### 4.3.2 *Hydrocarbon data*

In presentation of its production data and reserves and contingent reserves, the Group uses the following standard measures:

- oil equivalents volumes in millions of barrels of oil equivalents (“**MMboe**”) and barrels of oil equivalent (“**boep**”); and
- natural gas liquid volumes in billion cubic meters (“**bcm**”).

#### 4.3.3 *Industry and market data*

In this Prospectus, the Issuer has used industry and market data from independent industry publications and market research.

The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by

that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified, however, source references to websites shall not be deemed as incorporated by reference to this Prospectus.

The Issuer confirms that no statement or report attributed to a person as an expert is included in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Issuer has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Issuer cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Issuer's own assessment and knowledge of the market in which it operates. Such information and data are sourced herein as **"Company Information"**.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Issuer's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 **"Risk factors"** and elsewhere in this Prospectus.

#### 4.3.4 Currencies

In this Prospectus, all references to **"USD"** are to the lawful currency of the United States; all references to **"NOK"** are to the lawful currency of Norway; all references to **"EUR"** are to the lawful common currency of the EU member states who have adopted the Euro as their sole national currency; all references to **"XAF"** are to the lawful currency of Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea and Gabon; all references to **"BRL"** are to the lawful currency of Brazil; all references to **"SGD"** are to the lawful currency of Singapore; all references to **"CFA"** are to the lawful currency of Central Africa states Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea and Gabon; all references to **"NAD"** are to the lawful currency of Namibia. The functional currency of the Group and most of its subsidiaries is USD, and the Financial Information is presented in USD. Operating expenses denominated in NOK, SGD, XAF, BRL, EUR, CFA and NAD constitute a part of the Group's total operating expenses.

No representation is made that the USD, NOK, SGD, XAF, BRL, EUR, CFA or NAD amounts referred to herein could have been or could be converted into USD, NOK, SGD, XAF, BRL, EUR, CFA or NAD as the case may be, at any particular rate, or at all.

#### 4.3.5 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category

presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

#### **4.4 Cautionary note regarding forward-looking statements**

This Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. They appear, among other areas, in the following sections in this Prospectus, Section 6 "*Business of the Group*", and Section 7 "*Selected Historical Financial Information*", and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates, such as, but not limited to the Group's expansion in existing and entry into new markets in the future.

Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- the Group's strategy, outlook and growth prospects;
- the Group's operational and financial objectives, including statements as to the Issuer's medium or long-term growth, margin, and dividend policy;
- the competitive nature of the business in which the Group operates and the competitive pressure and competitive environment in general;
- earnings, cash flow, dividends and other expected financial results and conditions;
- the expected growth and other developments of the industries which the Group operates;
- the Group's planned investments;
- forecasts; and
- the Group's liquidity, capital resources, capital expenditures, and access to funding.

The risks that are currently known to the Issuer and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "*Risk factors*".

The information contained in this Prospectus identifies additional factors that could affect the Group's financial position, operating results, cash flow, liquidity and performance. Prospective investors are urged to read all Sections of this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Issuer.

These forward-looking statements speak only as of the date on which they are made. The Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

## 5 THE BONDS

### 5.1 Main terms of the Bonds

The Bond Issue is governed by the Norwegian law bond agreement entered into on 19 June 2024 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders (the "**Bond Trustee**"). A copy of the Bond Terms is attached to this Prospectus as Appendix 2.

In this Section 5.1 "*Main terms of the Bonds*" capitalized terms used and not defined herein shall have the same meaning as in the Bond Terms.

<b>ISIN:</b>	NO 001 3259663
<b>The Bond Issue:</b>	BW Energy Limited 10.00% senior unsecured USD 100,000,000 callable bonds 2024/2029
<b>Issuer:</b>	BW Energy Limited, an exempted company limited by shares incorporated under the laws of Bermuda with registration number 54653 and LEI-code 5493004D19CJBN3DLD40
<b>Guarantors:</b>	None
<b>Group:</b>	The Issuer and its Subsidiaries from time to time.
<b>Subsidiary:</b>	A person over which another person has Decisive Influence.
<b>Status of the Bonds and Security:</b>	<p>The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank <i>pari passu</i> between themselves and at least <i>pari passu</i> with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).</p> <p>The Bonds are unsecured.</p>
<b>Date of Bond Agreement:</b>	19 June 2024
<b>Issue amount:</b>	USD 100,000,000
<b>Outstanding amount:</b>	USD 100,000,000
<b>Tap Issue:</b>	N/A
<b>Initial nominal value of each Bond:</b>	USD 1,000
<b>Currency:</b>	USD
<b>Issue price:</b>	100.00 per cent of the Initial Nominal Amount (par value).
<b>Securities form:</b>	The Bonds are electronically registered in dematerialized form with CSD. (Verdipapirsentralen ASA, also known as Euronext VPS) (Post address: P.O. 1174 Sentrum, 0107 Oslo, Norway. Registered address Tollbugata 2, 0152 Oslo, Norway).
<b>Issue Date:</b>	21 June 2024
<b>Interest bearing from and including:</b>	Issue Date

<b>Interest bearing until:</b>	Maturity Date
<b>Maturity Date:</b>	21 June 2029
<b>Details of the arrangements for the amortization of the loan:</b>	<p>The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.</p> <p>There are no arrangements for amortization of the loan.</p>
<b>Voluntary early or partial redemption or equity clawback</b>	<p><b>Voluntary early redemption – Call Option</b></p> <p>(a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the “<b>Call Option</b>”) on any Business Day from and including:</p> <ul style="list-style-type: none"> <li>(i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;</li> <li>(ii) the First Call Date to, but not including, the Interest Payment Date in June 2027 at a price equal to 105.00 per cent. of the Nominal Amount for each redeemed Bond;</li> <li>(iii) the Interest Payment Date in June 2027 to, but not including, the Interest Payment Date in December 2027 at a price equal to 104.00 per cent. of the Nominal Amount for each redeemed Bond;</li> <li>(iv) the Interest Payment Date in December 2027 to, but not including, the Interest Payment Date in June 2028 at a price equal to 103.00 per cent. of the Nominal Amount for each redeemed Bond;</li> <li>(v) the Interest Payment Date in June 2028 to, but not including, the Interest Payment Date in December 2028 at a price equal to 102.00 per cent. of the Nominal Amount for each redeemed Bond; and</li> <li>(vi) the Interest Payment Date in December 2028 to, but not including, the Maturity Date at a price equal to 100.50 per cent. of the Nominal Amount for each redeemed Bond.</li> </ul> <p>(b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the relevant Call Option Repayment Date (and not on the date the Issuer exercised the relevant Call Option as described above).</p> <p>(c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer (i) shall be irrevocable, (ii) shall specify the Call Option Repayment Date and the aggregate Nominal Amount of the Bonds to be redeemed and (iii) may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent which shall be satisfied at least three Business Days prior to the Call Option Repayment Date (and, if any such conditions precedent have not been satisfied or waived by such time, the exercise of such Call Option shall automatically be cancelled).</p> <p>(d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.</p>
<b>Interest:</b>	<p>(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:</p> <ul style="list-style-type: none"> <li>(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of</li> </ul>



	<p>a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or</p> <p>(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.</p>
<b>Interest Rate:</b>	10.00 percentage points per annum.
<b>Yield:</b>	<p>Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). If the price has increased, the yield for the purchaser in the secondary market will be lower than the Interest Rate of the Bonds and vice versa.</p> <p>The yield is calculated in accordance with «<i>Recommended Conventions for the Norwegian Certificate and Bond Markets</i>» prepared by Norske Finansanalytikeres Forening, available on <a href="http://www.finansfag.no/publikasjoner/">www.finansfag.no/publikasjoner/</a>. The content of the website is not incorporated by reference into, or otherwise form part of, this Prospectus.</p>
<b>Interest Payment Date:</b>	The last day of each Interest Period.
<b>Interest Period:</b>	Interest Period means, subject to adjustment in accordance with the Business Day Convention, the period between 21 June and 21 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date
<b>First Interest Payment Date:</b>	21 December 2024
<b>Calculation and payment of interest:</b>	<p><b>Calculation of interest</b></p> <p>(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:</p> <p>(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or</p> <p>(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.</p> <p><b>Payment of interest</b></p> <p>Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>
<b>Business Day:</b>	A day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.
<b>Business Day Convention:</b>	If the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.
<b>Time limit on the validity of claims relating to interest and repayment of principal:</b>	All claims under the Finance Documents for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of 18 May 1979 no. 18 relating to the limitation period for claims (currently being 3 years for interest repayments and 10 years for principal).
<b>Put Option:</b>	<b>Put Option</b>

	<p>(a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "<b>Put Option</b>") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount.</p> <p>(b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (<i>Put Option Event</i>). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.</p> <p>(d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p> <p><b>Early redemption option due to a tax event</b> If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (<i>Taxation</i>) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p>
<b>Put Option Event:</b>	<p>A Put Option Event means a Cancellation Event, a Change of Control Event, a Delisting Event or a Dussafu Disposal Event.</p> <p><b>Change of Control Event</b> Has the meaning as ascribed in the table below.</p> <p><b>Cancellation Event</b> A Cancellation Event means the Dussafu PSC in Gabon, the Brazilian Concessions in Brazil or another oil and gas licence, production sharing contract, concession or similar with proven reserves and/or production in which a Group Company has an ownership interest is finally revoked, cancelled or terminated for any reason with no opportunity for appeal and such revocation, cancellation or termination has a Material Adverse Effect, unless such revocation, cancellation or termination is capable of being remedied and is remedied within 90 days after the earlier of the Issuer's actual knowledge thereof, or notice thereof having been given to the Issuer by the Bond Trustee.</p> <p><b>Delisting Event</b> A Delisting event means the Issuer's common shares cease to be listed on an Exchange (or a reputable exchange in the UK, the US or Canada).</p> <p><b>Dussafu Disposal Event</b> A Dussafu Disposal Event means the Group's working interest in the Dussafu PSC is reduced below 50 per cent. in one or more transactions (including by a reduction of the Issuer's ownership in BW Energy Gabon S.A.).</p>
<b>Change of Control Event:</b>	<p>Change of Control Event means a person or group of persons acting in concert, other than BW Group Limited or the Sohmen Family Interest and/or any subsidiary thereof, gaining Decisive Influence over the Issuer.)</p>

<b>Covenants:</b>	General and financial covenants apply to the Issuer. See clauses 12 ( <i>Information undertakings</i> ) and 13 ( <i>General and financial undertakings</i> ) of the Bond Terms for more information.
<b>Listing:</b>	The Issuer shall use its reasonable endeavors to ensure that the Bonds are listed on an Exchange within nine months of the Issue Date, i.e. 21 March 2025, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.
<b>Use of proceeds:</b>	The Issuer will use the proceeds from the issuance of the Bonds (net of fees and legal cost of the Joint Bookrunners and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds) for general corporate purposes of the Group.
<b>Bond Terms:</b>	<p>Bond Terms means the terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.</p> <p>The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action required to be taken or formalities complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.</p> <p>The Bond Trustee acts as the representative with binding effect of all the Bondholders, following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents, arranging Bondholders' meetings, and taking action on behalf of all the Bondholders in accordance with Bondholders' instructions.</p> <p>For further details of the Bond Trustee's role and authority as the Bondholders' representative, see Clause 16 (<i>The Bond Trustee</i>) of the Bond Terms.</p> <p>Information regarding Bondholders' meeting and the Bondholders' right to vote are described in Clause 15 (<i>Procedure for arranging a Bondholders' Meeting</i>) of the Bond Terms.</p>
<b>Finance Documents:</b>	Finance Documents means these Bond Terms, the Bond Trustee Fee Agreement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
<b>Bondholders' Meeting:</b>	<p>At the Bondholders' Meeting each Bondholder (or person acting for a Bondholder under a power of attorney) has one vote for each Bond he/she owns. The Issuer's Bonds shall not carry any voting rights.</p> <p>At least 50% of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.</p> <p>Resolutions shall be passed with a simple majority of the Voting Bonds represented at the Bondholders' Meeting, except as set forth below.</p> <p>In the following matters, approval of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required: Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a) (i) and (ii) of Clause 17.1 (<i>Procedure for amendments and waivers</i>), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of the Bond Terms.</p> <p>Anything which may be resolved by the Bondholders in a Bondholders' Meeting may also be resolved by way of a Written Resolution.</p> <p>For further details of the Bondholders' Meeting's authority, procedures, voting rules and written resolutions, see Clause 15 (<i>Bondholders' Decisions</i>) of the Bond Terms and Section 5.2 below.</p>

<b>Availability of documentation</b>	<a href="http://www.bwenergy.no">www.bwenergy.no</a> and <a href="http://www.stamdata.no">www.stamdata.no</a> .
<b>Bond Trustee:</b>	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
<b>Joint Bookrunners for the Bond Issue:</b>	DNB Markets, a part of DNB Bank ASA and Pareto Securities AS.
<b>Paying Agent:</b>	Pareto Securities AS, as appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.
<b>Transfer of Bonds:</b>	<p><b>Restrictions</b></p> <p>(a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>(b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p>
<b>Legislation under which the Bonds have been created:</b>	Norwegian law.
<b>Fees and expenses:</b>	Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

## 5.2 Bondholders rights

The rights attached to the Bonds are set out in the Bond Terms, which is enclosed as Appendix 2 to the Prospectus. Below is a summary of principal rights and competencies. Capitalized terms used and not defined herein shall have the same meaning as in the Bond Terms.

### 5.2.1 Bondholders' meetings

The Bondholders' meeting is the highest authority in the Bondholders' community. The Bondholders' meeting may on behalf of the Bondholders resolve to alter any of the Bond Terms, including but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The Bondholders' meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro-rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal. The Bondholders' meeting may not adopt resolutions that will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

Subject to the power of the Bond Trustee to take certain actions, if a Bondholders' resolution or approval is required, such resolution may be passed at a Bondholders' meeting. Resolutions passed at any Bondholders' meeting will be binding upon all Bondholders.

Bondholders' meetings are convened by the Bond Trustee upon a written request from the Issuer, Bondholders representing at least 1/10 of the voting Bonds, the Exchange (if entitled to do so pursuant to the general rules and

regulations of the Exchange), or the Bond Trustee, specifying the matters to be discussed and resolved. The Bond Trustee shall convene bondholders' meetings within ten Business Days of receiving a valid request. Summons to a Bondholders' Meeting must be sent no later than ten Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform). Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to the Bond Terms, a description of the proposed amendments must be set out in the Summons. Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (Redemption and Repurchase of Bonds).

The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' meeting, regardless of who has convened the meeting, including any reasonable costs and fees incurred by the Bond Trustee.

At least 50% of the voting Bonds must be represented at a Bondholders' meeting for a quorum to be present. Each Bondholder, the Bond Trustee and representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder shall have the right to attend the Bondholders' meeting. The chairperson (the Bond Trustee or such other representative) elected by the Bondholders' meeting may grant access to the meeting to other persons, unless the Bondholders' meeting decides otherwise. In addition, each person entitled to attend the meeting has the right to be accompanied by an advisor.

Even if the necessary quorum is not achieved, the Bondholders' meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' meeting. The Bond Trustee or the person who convened the initial Bondholders' meeting may, within ten Business Days of the initial Bondholder meeting, convene a repeated meeting with the same agenda as the first meeting, in accordance with the same procedures as the initial Bondholder's meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (Authority of the Bondholders' Meeting) shall not apply to a repeated Bondholders' meeting. A Summons for a repeated Bondholders' meeting shall also contain the voting results obtained in the initial Bondholders' meeting. Such a repeated Bondholders' meeting may only be convened once for each original Bondholders' meeting.

#### **5.2.2 Voting rights**

Each Bond carries one vote. In order to exercise voting rights, the Bondholder must be the registered owner of the Bonds at the relevant record date, being the Business Day immediately preceding the date of the respective Bondholders' decision, or another date accepted by the Bond Trustee. If the beneficial owner of a Bond is not registered as a bondholder in the CSD and wishes to exercise his or her rights as a bondholder, he or she must obtain proof of ownership of the Bonds acceptable to the Bond Trustee.

Ordinary resolutions are passed by a simple majority of the voting Bonds represented at the Bondholders' meeting. Any amendments or waivers of the Bond Terms require a majority of at least two-thirds of the voting Bonds represented at the Bondholders' meeting for approval, save for such amendments or waivers which can be made

without resolution pursuant to paragraph (a) section (i) and (ii) of Cause 17.1 (*Procedure for amendments and waivers*) of the Bond Terms.

#### **5.2.3 Written bondholders' resolutions**

Subject to the Bond Terms, matters that may be resolved by the Bondholders' meeting may also be resolved by way of a written resolution if passed with the relevant majority. The person requesting a Bondholders' meeting may instead request that the relevant matters are to be resolved by written resolution only, unless the Bond Trustee decides otherwise.

Summons for written resolutions shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release. The summons for written resolutions shall include instructions on how to vote for each separate item, and the time limit within which the Bond Trustee must have received all votes necessary in order for the written resolution to be passed with the requisite majority, which shall be at least ten but not more than 15 Business Days from the date of the summons. Otherwise, unless conflicting, written resolutions are subject to the same procedures as Bondholders' meetings in respect of Bondholders' authority, quorums, voting rules, and repeated resolutions.

Only Bondholders of voting Bonds registered with the CSD on the relevant record date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the written resolution.

### **5.3 Reasons for the Listing and the use of proceeds**

This Prospectus is being produced in connection with the Issuer's application for the admission to trading of the Bonds on the Oslo Stock Exchange.

Pursuant to section 4 of the Bond Terms (*Admission to listing*), the Issuer shall ensure that the Bonds are listed on an Exchange within nine months of the Issue Date (i.e. 21 March 2025) and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

The application for admission to trading is put forward by the Issuer to satisfy the conditions of the Bond Terms.

The Issuer will apply for the Bonds to be listed on the Oslo Stock Exchange on 31 October 2024 as soon as possible after this Prospectus has been approved by the Norwegian FSA. Approval of the application and commencement of trading in the Bonds is expected to take place on or about 4 November 2024, subject to fulfillment of any criteria set by the Oslo Stock Exchange.

Following the Listing the Bonds will be admitted to trading on the Oslo Stock Exchange under the ticker code "BWE".

The total costs of the Issuer in connection with the listing of the Bonds on Oslo Stock Exchange are estimated by the Issuer to be approximately NOK 156,000.

The Issuer will use the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds) for general corporate purposes of the Group.

#### **5.4 Tax warning**

Potential investors should be aware that changes in the tax legislation of the investors' and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. There can be changes in the applicable tax legislation, increased taxation by national, local or foreign authorities, new or modified taxation rules and requirements, including requirements relating to the timing of any tax payments, which may have an impact on the on the income received from the Bonds.

#### **5.5 No credit ratings**

There are no credit ratings assigned to the Issuer at the request or with the cooperation of the Issuer in the rating process.

## 6 BUSINESS OF THE GROUP

### 6.1 Introduction

BW Energy is an independent energy company involved in the exploration, acquisition, development and production of oil and natural gas fields. Since being established in late 2016, the Group has established a diversified portfolio of production and development assets offshore south-west Africa and Brazil, and currently holds majority interests in eight hydrocarbon licenses through its wholly owned subsidiaries:

- The Dussafu Marin Permit, located in the territorial waters of Gabon ("**Dussafu**");
- The Golfinho Cluster, located in the territorial waters of Espírito Santo Basin, Brazil, which includes the assets Golfinho, Canapu, Camarupim, Camarupim Norte and BM-ES-23 concession area ("**Golfinho Cluster**");
- The Maromba BC-20A Concession Block, located in the territorial waters of Campos Basin, Brazil ("**Maromba**"); and
- The Kudu block PL-003, located in the territorial waters of Namibia ("**Kudu**").

The Group's strategy focuses on utilising existing offshore oil and gas production facilities to reduce development costs, accelerate project delivery and minimise carbon emissions. The core part of BW Energy's strategy is to employ a differentiated field development model to unlock value from proven hydrocarbon discoveries that traditional exploration and production ("**E&P**") companies might overlook or are unable to progress to commercial development. The key principles of BW Energy's approach include the use of existing floating production, storage and offloading units ("**FPSO**") and other production infrastructure, fast-track project execution, phased development stages and properly scaled development concepts.

The Issuer is incorporated in Bermuda and primarily operated out of Singapore and Houston, USA. BW Energy's main shareholder is BW Group Limited, see Section 10.4 "*Major Shareholders*". BW Group is a leading global maritime group.

### 6.2 The principal market in which the Issuer competes

#### 6.2.1 The global energy market

BW Energy operates in the market of oil and natural gas fields, and is highly affected by the consummation, production and prices of oil and gas.

The world's production of oil was 4514.1 million tons in 2023, showing growth rate of 2% from oil production in 2022. In 2022 the combined consumption of oil and biofuel products exceeded 100 million barrels per day for the first time. In 2023, consumption of oil products alone exceeded this level.<sup>2</sup> The Brent crude oil prices fell 18% to average USD 82.6 per barrel in 2023, from USD 101.3 per barrel in 2022. However, the oil prices were still some 29% above their 2019 pre-COVID levels.<sup>3</sup>

Global gas production remained relatively constant in 2023 with a total of 4059.2 bcm, compared to 4048.6 bcm in 2022. Global natural gas demand increased by only 1 bcm in 2023, a rise of only 0.02% and only slightly above its

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<sup>2</sup> Source: Energy Institute, 2024 Statistical Review of World Energy, <https://www.energyinst.org/statistical-review>

<sup>3</sup> Source: Energy Institute, 2024 Statistical Review of World Energy, <https://www.energyinst.org/statistical-review>



2019 pre-COVID level. Whilst its share of global fossil fuel consumption remained around the 29% mark, natural gas's share of total primary energy consumption fell 0.5% from 2019.<sup>4</sup>

Because gas is not easily transported, gas prices are not determined by a world-wide market. Gas prices are usually determined regionally, with regions defined by pipeline and LNG transportation networks. Hence, regional gas prices generally correlate less than the prices for various types of oil. Gas prices are also affected by the price of other energy sources, such as the oil price. Gas price volatility is significantly higher than oil price volatility. This is primarily due to the fact that gas is more difficult to store than oil, meaning that gas prices are affected by immediate supply and demand within pipeline networks.

## 6.2.2 *Overview of the Group's countries of operations*

### 6.2.2.1 *Introduction*

BW Energy competes in the market for exploration, acquisition, development and production of oil and natural gas fields, with the principal markets being Africa (Gabon and Namibia) and Brazil.

#### 6.2.2.2 *Gabon*

At year-end 2023, Gabon had 11.1 million tons of oil production. The country has seen an increase in oil production, compared to 9.5 million tons in 2022 and 9.0 million tons in 2021. Total production in 2023 was 223 thousand barrels of oil per day, which makes Gabon one of the top seven oil producers in Africa.<sup>5</sup> There are several active oil and gas companies in Gabon which compete for business, such as Total, Sinopec, Perenco, and Tullow.

#### 6.2.2.3 *Brazil*

With its 183.7 million tons in oil production at year-end 2023, Brazil had the largest production amount in South & Central America.<sup>6</sup> The competitive situation in Brazil is characterized by state-controlled Petrobras who has been the dominant player and is the largest corporation in both Brazil and South America. In addition, there has been a surge of large companies into Brazil on back of very large discoveries in the 2000s including ExxonMobil, Equinor, Shell, Galp and a range of other companies.

#### 6.2.2.4 *Namibia*

The Kudu gas field was discovered in 1974, but was never developed because of the lack of gas production and transport infrastructure. However, this confirmed the presence of hydrocarbons in the geological structures offshore. Until recently, the exploration activity was low, but due to more advanced technology in offshore drilling and higher oil prices the activity in Namibia has increased. Large oil companies such as ExxonMobil, GALP, Total, Shell and Chevron are all currently active holding deepwater exploration licenses in Namibia. Several significant oil and gas discoveries were made in the recent years by Total, Shell and Galp.

## 6.2.3 *Competitive environment for upstream oil and gas*

The global upstream oil and gas market is inherently highly competitive due to the large number and various types of players operating in it. The market consists of several national oil companies which are fully or partially owned by host governments, such as Saudi Aramco, Gabon Oil Company, Petrobras and Equinor, who are often granted competitive advantages to the benefit of the states' interest. Further, the largest publicly held companies (not controlled by sovereign states) in the industry such as ExxonMobil, Shell, BP and Chevron are fully integrated oil and gas companies with a wide range of operations and multinational presence, whereas the mid- to small-scale companies usually have a more focused strategy on exploration, development and/or production. BW Energy thus

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<sup>4</sup> Source: Energy Institute, 2024 Statistical Review of World Energy, <https://www.energyinst.org/statistical-review>

<sup>5</sup> Source: Energy Institute, 2024 Statistical Review of World Energy, <https://www.energyinst.org/statistical-review>

<sup>6</sup> Source: Energy Institute, 2024 Statistical Review of World Energy, <https://www.energyinst.org/statistical-review>

competes with some participants which may have larger technical and financial resources. Nevertheless, BW Energy assesses its competitive position to be equivalent to that of other oil and gas companies of similar size with operations in Africa and Brazil.

The offshore oil and gas segment, in which BW Energy operates, has over the recent years seen moderately less competition from many US based companies re-focusing their operations to onshore unconventional resources in North America. In addition, cyclical nature of commodity prices and increasing ESG requirements have put pressure on many offshore oil and gas companies to expand their activities as well as forcing the companies to increase operational efficiency, cut costs and reduce greenhouse gas emissions.

BW Energy is facing the most intense competition in its pursuit for new licenses and hydrocarbon fields. BW Energy also competes with other oil and gas companies in obtaining capital from investors, as well as the recruitment and retention of qualified employees. BW Energy's ability to compete in these market places is driven by its access to necessary capital to acquire assets and its ability to analyse the geological, seismic and other data relating to the oil and gas assets. In this competitive landscape, BW Energy has demonstrated an ability to acquire assets with proven resources discovered by other companies, and has also been successful in attracting talented employees to carry out its operations. Furthermore, the BW Energy's existing asset portfolio is less affected by competition since the operational contracts have long durations and are tailored to extract most of the value in the oil and gas reservoirs within the set time-frames. In order to enhance its competitive position, BW Energy has devised a differentiated approach to oil and gas field development which aims to unlock profitable development of existing hydrocarbon discoveries that traditional E&P companies may be unable to commercialize.

### 6.3 Competitive strengths

BW Energy operates in a highly regulated business segment which sets significant requirements with respect to expertise and experience. This creates considerable barriers to entry into its business segment. With its current production and development operations, BW Energy is a proven offshore operator. With majority ownership stakes in eight production licenses with significant development and production potential, BW Energy also has considerable organic growth potential in its current portfolio.

Among the Group's key competitive strengths are:

- **Unique E&P and FPSO capabilities.** BW Energy's E&P expertise in combination with the production infrastructure capabilities unlocks values and synergies that differentiate the Group from other companies in the E&P industry. BW Energy has extensive experience in reservoir management, exploration, geosciences, drilling and completions, production and facility engineering, field operations, government and partner relations. BW Energy can benefit from wider BW Group set of member companies expertise in operating FPSOs to trigger fast-tracked project execution by redeployment of existing production infrastructure. Once an asset has been de-risked through the initial phase of production, the field can be further advanced and monetized through phased development. The differentiated business model has proven efficient in gaining access to opportunities which allows for lower cost of entry, thus enabling profitable development of projects that might not be commercially viable to other E&P companies. BW Energy successfully delivered its first E&P development in Gabon (Dussafu) within a tight timeframe of 18 months from license acquisition through sanctioning and development to first oil production. Both upfront capital expenditures and FPSO asset commitments were reduced by approximately 60% compared to the planned development concept prior to the acquisition of the license. The expected recoverable reserves from the Dussafu license was increased from the initial approximately 20 Mmboe to more than 100 Mmboe (gross) through successful near-field exploration and appraisal activity and optimization of the development plan. This included the successful repurposing of an existing jack-up drilling rig to the

*MaBoMo* production platform which provided an approximately 30% saving compared to a new-build production platform.<sup>7</sup>

- **Experienced management, a highly capable E&P team and international board of directors with strong credentials.** BW Energy's management team consists of seasoned executives who have an extensive network and strong relationships with major oil and gas companies, oilfield service providers, shipyards, global financial institutions and other key suppliers and participants in the industry. The team has demonstrated its ability in managing the technical, commercial and financial aspects of the Group's business. BW Energy's management is complemented by its Board of Directors, which collectively have extensive international experience within oil and gas, shipping and capital markets; as well as a broad range of complementary functional competencies.
- **Considerable growth potential.** BW Energy is in the phase of a significant growth trajectory. BW Energy is dedicated to generating long-term value through a strategic approach to phased development and investment in high-yield assets. Its adaptable investment strategy is designed to withstand various market conditions, enabling BW Energy Group to capitalize on both immediate and future opportunities to enhance cash flow and profits. The Group's fields are in process of production and development, thus unlocking further growth potential for the next decade. Moreover, BW Energy's differentiated field development strategy and capabilities are key enablers of future value-enhancing M&A.
- **Strong financial position and capital structure.** BW Energy has a strong financial position, with the Group's net cash flow from operating activities for the year ended 31 December 2023 being USD 181.0 million. BW Energy aims to have a good reputation in all debt and equity markets, and the primary objective of BW Energy's management of the capital structure is to maximise return to the owners by ensuring competitive conditions for both BW Energy's own capital and borrowed capital. The Board of Director's continuously evaluates BW Energy's capital structure, ensuring a capital and debt structure that is appropriate to BW Energy's objective, strategy, and risk profile to enable further development. With BW Energy's access to capital markets, including bank and bond financing, BW Energy seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. BW Energy seeks to optimise its capital structure by balancing the return on equity against liquidity requirements. To maintain the desired capital structure, BW Energy considers various types of capital transactions, including, purchase or issue new shares or debt instruments, sell assets or pay back capital to the owners.
- **Active commitment to safety and environmental protection.** BW Energy has a strong commitment to safety and environmental protection, aiming for zero harm in all areas of the Group's operations. BW Energy has established Operations Management System to encompass a thorough assurance programme for proactively identifying and addressing potential performance issues. The BW Energy Health, Safety, Environmental & Quality (HSEQ) framework is founded on three pivotal elements: people, process and plant. It is crafted to foster operational excellence that is repeatable and to drive continuous improvement in all aspects of the company. BWE operates using guidelines from the International Oil and Gas Producers (IOGP), the American Petroleum Institute (API), the International Petroleum Industry Environmental Conservation Association (IPIECA), the Global Reporting Initiative (GRI), the Norwegian Transparency Act standards and the International Ship and Port Facility Security (ISPS) Code. BW Energy has a strong commitment to safety and environmental protection, aiming for zero harm in all areas of the Group's operations. BW Energy has recorded no lost time injury or environmental incidents in Gabon since 675

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<sup>7</sup> Source: Company information

days as of 31 July 2024, and one LTI in Q2 2024 in Brazil on Cidade de Vitoria. BW Energy is actively transitioning towards a lower carbon footprint by repurposing existing production infrastructure to develop known oil and gas resources while reducing the Greenhouse Gas (GHG) emissions relative to a newbuild production asset. BW Energy anticipates ongoing regulatory focus on climate issues and greenhouse gas emissions, which could lead to revised taxation and other regulations, higher compliance costs, and changing investor and lender attitudes. BW Energy is vigilant in monitoring these developments across its operational regions and has established comprehensive systems and tools designed to transparently showcase its adherence to, and achievement in, attaining goals and standards for safe, efficient, and responsible operations. Through its efforts in fostering continuous improvement, BW Energy is enabled to not only meet but exceed these benchmarks. BW Energy is committed to maintaining transparency regarding performance and compliance, providing clear and straightforward information.

- Enhanced preparation and robust safeguard measures.** The shift towards alternative energy sources could decrease demand and prices for oil and gas, potentially leading to asset value impairments for the Group. To ensure resilience against any potential shifts, BW Energy evaluates its assets under various oil price scenarios and engages with a diverse group of financial institutions and investors worldwide, continually revising the investment strategy to maintain a robust balance sheet. The business model adopted by BW Energy can allow for relatively low-cost entry to achieve initial production from proven fields, using operating cash flow funding further development and low-cost field expansion benefiting from existing infrastructures, in order to ensure robustness of project performance against the uncertainty of oil and gas markets.

Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Issuer's competitive position in the future is based on the Issuer's own assessment and knowledge of the potential market in which it may operate.

## 6.4 History and important events

### 6.4.1 Establishment of the Issuer and the Group

BW Energy is an affiliate of the BW Group, a global maritime energy transportation and floating gas infrastructure company with an 80-year history. BW Offshore established BW Energy as an E&P division in 2016, prior to BW Energy being incorporated as a separate company in May 2019. In October 2019 the certain offshore oil and gas exploration and production assets within the BW Group were established as a separate business under BW Energy, thus forming the Group (the "**Reorganisation**").

Following the Reorganisation, BW Energy has carried out its business through its subsidiaries forming the Group, as further described in Section 10.2 "*Legal structure*".

The table below provides an overview of key events in the history of the Group:

Month, year	Main events
1935	Sig. Bergesen d.y. & Co (" <b>Bergesen</b> "), a tanker business in Stavanger, Norway, is established by Mr Sigval Bergesen d.y.
1955	World-Wide Shipping Steamship Company Limited (" <b>World-Wide Shipping</b> ") is established by Sir Y.K. Pao.
1960s	World-Wide Shipping entered into the tanker market.
1982	Bergesen's offshore department successfully installed Berge Sisar (an LPG FPSO later replaced by Berge Troll) in Angola.
2003	World-Wide Shipping acquired all the shares of Bergesen d.y ASA, the world's largest gas carrier operator.

Month, year	Main events
2004	Bergesen, together with World-Wide Shipping, were reorganised to form Bergesen Worldwide.
2005	Re-organization and rebranding exercise brought all businesses under a single group brand BW
2006	BW Group's offshore division is spun off and listed on the Oslo Stock Exchange as BW Offshore Limited.
2007	BW Offshore acquired APL ASA, a producer of technology for offshore oil and gas industry
2007	The Bergesen Worldwide group was re-branded as "BW Group".
2010	BW Offshore acquired all the shares in Prosafe Production Public Limited through a public offer.
2016	BW Offshore established an E&P division named BW Energy
2016	BW Energy Group, in partnership with the BW Group, entered into an agreement to acquire 66.67% of the Dussafu production sharing contract (PSC) offshore Gabon. The acquisition was completed in early 2017.
2017	BW Energy Group acquired a 56% participation and operator interest in the Kudu gas field licence.
2018	First oil was achieved at Dussafu in September 2018.
2019	BW Energy Gabon SA, the entity holding the Group's ownership interest in Dussafu, entered into an agreement with Gabon Oil Company ("GOC") for the sale (farm-out) of a total of 10% interest in the Dussafu licence in March 2019.
Mar 2019	BW Energy Group entered into agreements to acquire 100% of the Maromba licence in Brazil field offshore Brazil for a total acquisition cost of USD 115 million from Petrobras (70%) and Chevron (30%) in March 2019.
May 2019	The Issuer was incorporated 22 May 2019.
Aug 2019	The Brazilian National Agency of Petroleum, Natural Gas and Biofuels (the "ANP") granted BW Energy status as operator in Brazil and approved the transactions with Petrobras and Chevron for the acquisition of the Maromba field in August 2019.
Sept 2019	The acquisition of Maromba was closed in September 2019.
Oct 2019	In October 2019, a drilling campaign successfully completed at Dussafu. The campaign initially targeted the Hibiscus Updip prospect, which yielded positive geological results in the Gamba Formation. An appraisal side-track was drilled to further evaluate the reservoir. Both the exploration well and the appraisal side-track encountered oil on the Hibiscus structure.
Oct 2019	In October 2019, BW Offshore's E&P business consisting of the Dussafu, Maromba and Kudu assets contained within the BW Energy Group was established as a separate business under a new holding company, BW Energy Limited, thus forming the Group.
Dec 2019	Tullow Oil exercised its 10% back-in right to the Dussafu production sharing contract in December 2019. BW Energy's ownership was reduced to 73.5%.
Feb 2020	BW Energy's shares were listed on the Oslo Stock Exchange 19 February 2020.
2020	BW Energy acquired two jack-up drilling rigs for use on Dussafu licence development
2021	BW Energy signed an agreement to purchase Polvo FPSO for Maromba licence development
2021	BW Energy signed a Farm-up agreement with NAMCOR increasing the Issuer's interest to 95% in Kudu
2022	BW Energy completed the conversion of BW <i>MaBoMo</i> production platform from a former jack-up drilling rig
2023	BW Energy achieved first oil from Hibiscus field in Dussafu licence from <i>MaBoMo</i> , first converted jack-up rig
2023	BW Energy acquired Golfinho field from Petrobras and Cidade de Vitória FPSO from Saipem
2023	Substantial oil discovery made in Hibiscus South fields within the tieback distance to BW <i>MaBoMo</i>
2024	Production achieved in Hibiscus South and new discoveries made in Hibiscus South and northern flank of Hibiscus fields that adding material reserves
April 2024	BW Energy signed USD 150 million sale & leaseback for <i>MaBoMo</i> production facility
Aug 2024	BW Energy acquired 6.6% of the outstanding shares (excl. warrants) in Reconnaissance Energy Africa Ltd. And executed a farm-out Agreement for the acquisition of 20% working interest in potential high-impact onshore exploration license PEL 73 in Namibia. Completion of the farm-out Agreement and transfer of the 20% working interest to BW Energy is subject to the satisfaction of industry typical condition precedents..

## 6.5 Overview of the Group's business

### 6.5.1 Overview of assets

BW Energy currently operates four assets with reserves and resources currently under development and planning stages. The Dussafu Marin Permit located in offshore Gabon, the Golfinho Cluster, which includes the Golfinho, Canapu, Camarupim, Camarupim Norte, Canapu and Brigadeiro fields in the Espírito Santo Basin offshore Brazil, the Maromba concession, in the Campos Basin offshore Brazil, and the Kudu Production License offshore Namibia.. Dussafu and Golfinho are currently producing whilst Maromba and Kudu are awaiting final investment decision.

The following table sets out an overview of the Group's current assets.

Field/ project	Licence	Ownership interest	Operator	Status	Lifetime of licence
Dussafu	Ruche EEA	73.5%	BW Energy Gabon S.A.	In production	2038
Golfinho (Golfinho Cluster)	BES- 100	100%	BW Energy Maromba do Brasil Ltda.	In production	2042 <sup>3</sup>
Camarupim (Golfinho Cluster)	BES- 100	100%	BW Energy Maromba do Brasil Ltda.	Planning	2042 <sup>3</sup>
Camarupim Norte (Golfinho Cluster)	BM-ES- 5	100%	BW Energy Maromba do Brasil Ltda.	Planning	2042 <sup>3</sup>
Brigadeiro (Golfinho Cluster)	BM-ES- 23	76.47%	BW Energy Maromba do Brasil Ltda.	Planning	Commerciality plus 27 years
Canapu (Golfinho Cluster)	BES- 100	100%	BW Energy Maromba do Brasil Ltda.	Planning	2042 <sup>3</sup>
Maromba	BC-20A	100% <sup>1</sup>	BW Energy Maromba do Brasil Ltda.	Planning	2047
Kudu	PL-003	95% <sup>2</sup>	BW Kudu Limited	Planning	2036
Namibia	PEL-73	20% <sup>4</sup>	Reconnaissance Energy	Exploration	2027

1. 95% after exercise of 5% Magma Oil back-in right
2. NAMCOR 5% carried interest and 5% back-in right at cost
3. Expected license period upon PoD approval (pending)
4. Acquisition subject to satisfaction of condition precedents

The Group does not expect any of its fields to expire prior to the expiry of the relevant license.

### 6.5.2 Reserves

The Group has reserves distributed as of 31 December 2023 is set out in the table below:

Field/ project	Interest	Gross equivalents (mmboe)			Net equivalents (mmboe) <sup>2</sup>		
		1P (Proved) mmboe <sup>1</sup>	2P (Proved + Probable) mmboe <sup>1</sup>	3P (Proved + Probable) mmboe <sup>1</sup>	1P (Proved) mmboe <sup>1</sup>	2P (Proved + Probable) mmboe <sup>1</sup>	3P (Proved + Probable) mmboe <sup>1</sup>
Dussafu	73.5%	66.6	94.5	120.9	48.9	69.4	88.9
Golfinho	100%	29.4	40.3	58.3	29.4	40.3	58.3
Maromba	100% <sup>3</sup>	75.0	105.4	139.2	71.3	100.1	132.2
Total reserves		171.0	240.2	318.4	149.6	209.8	279.4

<sup>1</sup> The hydrocarbon volumes shown include crude oil and natural gas. Volumes are expressed in millions of barrels of oil equivalent (mmboe)

<sup>2</sup> The Net volumes reflect BW Energy's interest.

<sup>3</sup> A local partner (Magma) has an option to assume a 5% ownership stake upon first oil.

### 6.5.3 The Group's contingent resources

The Group's contingent resources as of 31 December 2023, is set out in the table below:

Field/ project	Interest	Gross equivalents (mmboe)			Net equivalents (mmboe) <sup>2</sup>		
		1C mmboe <sup>1</sup>	2C mmboe <sup>1</sup>	3C mmboe <sup>1</sup>	1C mmboe <sup>1</sup>	2C mmboe <sup>1</sup>	3C mmboe <sup>1</sup>
Dussafu.	73.5%	25.0	45.8	75.4	18.4	33.7	55.4
Golfinho	100%	14.4	23.0	28.8	14.4	23.0	28.8
Camarupim	100%	23.1	34.9	47.8	23.1	34.9	47.8
BM-ES-23	65%	29.4	65.4	149.3	22.4	50.0	114.2
Maromba	100% <sup>3</sup>	26.6	40.7	67.0	25.2	38.7	63.7
Kudu (development pending)	95%	95.3	170.0	325.5	90.5	161.5	309.2
Kudu (development on hold)	95%	16.9	30.4	48.3	16.0	28.9	45.9
Total reserves		230.6	410.2	742.1	209.9	370.6	665.0

<sup>1</sup> The hydrocarbon volumes shown include crude oil and natural gas. Volumes are expressed in millions of barrels of oil equivalent (mmboe)

<sup>2</sup> The net volumes reflect BW Energy's interest.

<sup>3</sup> A local partner (Magma) has an option to assume a 5% ownership stake upon first oil.

### 6.5.4 Dussafu

The following Section provides an overview of the Dussafu block.

#### Overview

The Dussafu Marin Permit, and the associated Ruche Autorisation Exclusive d'Exploitation ("**Ruche EEA**") production license, is located approximately 50 kilometers off the coast of Gabon. The Ruche EEA production license's primary term runs until 2028 but includes the right to apply for two five-year extension options which will take expiry out to 2038. See Section 6.9 for details on the applicable laws and regulations for the license.

The Ruche EEA covers an area of around 850 square kilometers. The water depth within the Ruche EEA ranges from approximately 80 meters in the northeast corner to approximately 650 meters in the southwest corner. Eight oil discoveries have been made on the license to date: Tortue, Hibiscus, Hibiscus South, Hibiscus North, Ruche, Ruche NE, Moubenga and Walt Whitman. The primary development area has an average water depth of approximately 116 meters.



Figure 1: Discoveries in the Dussafu license



### ***Licence history***

Harvest Dussafu BV ("**Harvest**") began operating the Dussafu Marin Permit in 2008 and made discoveries at the Ruche Prospect in 2011 and at the Tortue Prospect in 2012. In anticipation of the expiration of the exploration period of the Production Sharing Contract ("**PSC**") for the Dussafu Marin Permit in 2014, Harvest requested an exclusive exploitation authorization for an area around the discoveries, known as the Ruche AEE. This development area includes the Ruche and Tortue discoveries, along with the Moubenga discovery drilled by Elf Gabon in 1981, the Walt Whitman discovery drilled by Amoco Corporation in 1996, and the Ruche North East discovery drilled by BW Energy in 2018. The acreage outside the Ruche AEE was relinquished, but the Ruche AEE is still governed by the terms and conditions of the original PSC, including a right to exploit hydrocarbon resources in the Ruche AEE for a period of 20 years after commencement of production, which occurred in September 2018. BW Energy assumed operatorship of the Dussafu Marin Permit in 2017 after purchasing Harvest's interest.

### ***The license acquisition and ownership***

In April 2016, BW Energy Group entered into a purchase agreement with Harvest, a wholly owned subsidiary of Harvest Natural Resources, Inc., to acquire its 100% interest in Harvest Dussafu B.V., which owned a 66.667% interest in the Dussafu license through its Gabonese branch. The acquisition price was USD 32 million in cash, subject to certain adjustments. Upon closing of the acquisition on 10 April 2017, the name of Harvest (and its Gabonese branch) were changed to BW Energy Dussafu B.V.. The remaining 33.333% were at that time held by Petroleum Gabon B.V., a wholly owned subsidiary of Panoro Energy ASA ("**Panoro**"). In April 2017, BW Energy acquired an additional 25% working interest in the Dussafu licence from Panoro for USD 12.9 million.



On 19 March 2019, BW Energy Gabon SA entered into an agreement with GOC for the sale (farm-out) of a total of 10% interest in the Dussafu license. The transaction price was USD 28.6 million, representing a reimbursement equivalent to 10% of development and production costs to that date. BW Energy Gabon SA's interest was thereby reduced to 81.667%, while Panoro continued to hold 8.333%. The PSC for the Dussafu block (see Section 6.9 "*Applicable laws and regulations*") stipulates that the Gabonese national government had a "back-in right" for a 10% working interest in the license. Tullow Oil plc ("**Tullow Oil**") acquired the Gabonese state's "back-in" right, meaning that Tullow Oil had an option to acquire a 10% interest in the Dussafu license by paying its share of historical costs. Tullow Oil exercised this 10% back-in right into the Dussafu license in December 2019. Following the exercise of the back-in right, BW Energy Gabon SA's ownership interest was reduced to 73.5%. Tullow Oil sold its 10% ownership interest in the Dussafu license to Panoro Energy in June 2021.

BW Energy currently holds 73.5% of the license, Panoro holds 17.5% and GOC holds 9% of the license.

### **Geology and reservoirs**

The Southern Gabon Basin, in common with most hydrocarbon basins in the South Atlantic, originated in the Lower Cretaceous when rifting resulted in the initial separation of the African and South American continents. The basin created by the rifting was gradually infilled, with the components of the pre-salt petroleum system being deposited over a period of 15 million years.

The Lower Cretaceous pre-salt petroleum system of southern Gabon comprises lacustrine Melania hydrocarbon source rocks, fluvial Gamba and Dentale reservoir sandstones, and the lacustrine Vembo shale top seal. In southern Gabon over 15 fields have produced oil and gas from this system since 1963, including the giant Rabi-Kounga and Gamba onshore fields, and the Etame cluster of fields in the offshore license immediately north west of Dussafu. Oil from the Tortue field is produced from both the Gamba and Dentale formations. The Gamba formation is a regionally extensive, high-quality sandstone that ranges from approximately 5 to 35 meters in thickness. Porosity ranges from 12-27%, with an average of 18%. The Dentale formation comprises stacked channel sands found below the Gamba formation. Tortue produces from the Dentale 6 reservoir, which is a particular sand package within the overall Dentale formation composed of numerous individual sand members that are slightly subconformable to the Gamba formation in the area. The average gross thickness of the Dentale 6 reservoir is approximately 28 meters, and the rock quality is favorable with an average porosity of approximately 20%.

Oil from Dussafu is typically waxy crude oil with an API gravity of 25 to 30 degrees API and low Gas-Oil Ratio (GOR) often less than 200 scf/bo.

### **Development concept**

Fields on the Dussafu block produce to the BW *Adolo* FPSO, which has a total liquids production capacity of 60,000 bldpd and oil production capacity of 40,000 bopd. Phase 1 of the Dussafu development included two horizontal production wells with subsea trees at the Tortue field, which are tied directly back to the FPSO. Production is aided by artificial lift mechanisms. Tortue Phase 2 introduced four additional subsea production wells at the Tortue field. The Hibiscus/Ruche development project in the Hibiscus and Ruche fields is planned to initially drill up to six horizontal production wells through BW *MaBoMo* facility. The production from BW *MaBoMo* is transported to the BW *Adolo* FPSO through a 20 kilometer pipeline.

In 2023, Hibiscus field was brought on production through four new wells to the BW *MaBoMo* facility. Four additional production wells at Hibiscus, Hibiscus South, and Ruche fields were drilling in 2024 to complete the first phase of development. Hibiscus / Ruche Phase 1 will be followed by a subsequent Phase 2 planned in Hibiscus and Ruche fields.

**Current status**

The Tortue development commenced in 2017 with first oil achieved in September of 2018. The Tortue field produced 3.1 Mmboe in 2023 from six wells, with over 23 Mmboe produced from inception till end H1 2024.

First oil was achieved from Hibiscus / Ruche Phase 1 in April 2023. Four dry tree wells were drilled in the Gamba reservoir at Hibiscus field in 2023. The wells produced to the *MaBoMo* production facility. Production from *MaBoMo* is sent to the BW *Adolo* FPSO through a 20 kilometre pipeline. Hibiscus field produced 3.2 Mmboe in 2023. Production from the initial wells were impacted by challenges with the Electrical Submersible Pumps ("**ESPs**") which were retrieved from all wells by late 2023 and sent to the manufacturer for analysis.

DHSBM-2H & DHIBM-3H ESP change-out successfully completed in August. Remaining wells set to be completed by end of Q4 2024 with all 8 wells on conventional ESPs. The ongoing Hibiscus/Ruche drilling campaign has the potential to bring total oil production on the Dussafu license up to the FPSO capacity of approximately 40,000 barrels per day gross when all wells are on-stream.

During the first half of 2024, the Issuer made a substantial oil discovery with good reservoir quality through both the DHIBM-7P and DHBSM-2P pilot wells. These wells appraised the northern flank of the Hibiscus field and confirmed a northern extension of the Hibiscus South field, respectively. The combined results from these wells have led to an estimated increase in Hibiscus gross recoverable reserves (management estimates) by 23 million barrels of oil. The DHIBM-7P pilot was drilled at the Hibiscus field and is being completed as the fifth production well tied back to the *MaBoMo* platform, DHIBM-7H.

**Future strategy and plans**

BW Energy is currently in process of completing the third development phase, Ruche Phase 1, at the Dussafu block with the Hibiscus and Ruche fields, which lie approximately 15 to 20 kilometers northwest of the Tortue field. The current plan is to include three additional production wells at Hibiscus, Hibiscus South, and Ruche fields during the year 2024.

The current Hibiscus/Ruche Phase 1 comprises eight wells. With the extension to the contract for the Borr Norve jack-up and the delivery of conventional ESP systems, all previously drilled and completed wells will be successively worked over and completed with conventional ESP systems by end of the Q4 2024. Ruche Phase 2 will follow Ruche Phase 1 with additional wells to mitigate production decline.

BW Energy sees significant potential for further growth at Dussafu. There is also significant remaining exploration potential in the Dussafu licence, and the Issuer has identified a number of prospects which could form the basis for future development phases. BW Energy is working on maturing these prospects and expects to undertake further near-field exploration and appraisal drilling in the Dussafu licence during 2024-2025, and assess low-cost and low-risk expansions to production and reserve base and confirmation of the significant potential of the Dussafu licence. In BW Energy plans to drill Bourdon (Prospect B) test well as next appraisal target following the Hibiscus/Ruche Phase 1 drilling campaign. Prospect B has potential of ~30 million barrels gross recoverable reserves in Gamba and Dentale formations.

The Ruche EEA production license's primary term runs until 2028 but includes the right to apply for two five-year extension options which will take expiry out to 2038. The extension options shall be granted upon the contractor's request, provided that (a) commercial exploitation of the EEA is still possible and that (b) the obligations and commitments under the PSC have been met.

### 6.5.5 Golfinho Cluster

The following Section provides an overview of the Golfinho Cluster block.

#### Overview

The Golfinho Cluster includes the assets Golfinho, Camarupim, Canapu, and BM-ES-23 (Brigadeiro). These assets, including a gas export pipeline to shore, were acquired by the Issuer in August 2023, along with the FPSO Cidade de Vitória in November 2023, to which the Golfinho field produces. The licenses are in the Espírito Santo Basin, approximately 40 to 100 kilometers offshore Brazil, where water depths range from 100 to 2,200 m. Multiple oil and gas discoveries have been made in the licenses since 2003, with the primary fields including the Golfinho, Camarupim, and Brigadeiro fields.

Figure 2: Discoveries in the Golfinho Cluster



#### License history and ownership

The Golfinho Cluster was previously operated by Petrobras. The licenses for Golfinho, Canapu and the Camarupim and Camarupim Norte fields (together the "**Camarupim Fields**") with FPSO were acquired by the Issuer from Petrobras / Saipem in 2023. Multiple oil and gas discoveries have been made in the licenses since 2003, with the

primary fields including the Golfinho, Camarupim Fields, and Brigadeiro . In June 2022, the Issuer signed an agreement to acquire 100% working interest in the Golfinho Cluster and requested the Brazilian regulatory agency ANP to inspect the FPSO before transaction closing. Upon the inspection, Petrobras had to ratify any non-conformity identified before handing over the production facility. As a result, Golfinho field was shut-in since June 2022. The non-conformities were cleared, and the fields was re-started ahead of the completion of the acquisition in August 2023.

BW Energy holds 100% operated interest in Golfinho and Camarupim Fields concessions and 76.5% in the BM-ES-23 concession and Aquamarine Exploração Ltda. holds the remaining 23.5% interest.

### ***Geology and reservoirs***

The Espírito Santo Basin is located on the southeast continental margin of Brazil, near the state of Espírito Santo. This basin covers an area of approximately 41,500 square kilometers. It is bordered to the south by the Campos Basin and to the north by the Mucuri Basin. The origin of the Espírito Santo Basin is related to the breakup of the South American and African Plates and the subsequent formation of the South Atlantic Ocean.

The Golfinho field area is located in the southern portion of the Espírito Santo Basin. The area includes a variety of tectono-sedimentary environments, with depositional sequences and characteristic petroleum systems associated with ages ranging from Lower Cretaceous to Tertiary. The reservoirs in the Golfinho field are interpreted to be coarse-grained, amalgamated turbidite channels. Oil production in the Golfinho field is primarily from the Lower Maastrichtian-aged reservoir, and gas production is from deeper formations of Campanian and Santonian age.

### ***Current status***

The Golfinho field has six producing subsea wells in Campanian- and Maastrichtian-aged reservoirs tied to FPSO Cidade de Vitória, also owned and operated by BW Energy. The field has been producing since 2007. Crude oil is offloaded to shuttle tankers and gas can be transported to or from shore through a pipeline routed to the Cacimbas Gas Treatment Unit.

In 2023, Golfinho field averaged a gross rate of approximately 10,700 barrels per day. Approximately 1.3 million barrels gross were produced during the year since the Issuer gained operatorship. Gross reserves are 40.3 million barrels of oil equivalent of proven recoverable reserves based on third party estimates. These reserves are predominately oil, of which 26.4 million barrels of oil equivalent are developed and producing and 13.9 million barrels of oil equivalent are undeveloped, defined infill opportunities.

Production from the Golfinho license was 1.5 million barrels net in the first half of 2024, an average of 8,500 barrels of oil per day. Towards the end of the period, reduced gas-life compressor up-time and lack of gas production from the GLF-28 impacted production. GLF-28 has subsequently been successfully restarted after ROV intervention operation, and work is underway to improve reliability. In August, the FPSO Cidade de Vitoria was shut down for 12 days for compressor maintenance and other activities to improve production stability

### ***Future strategy and plans***

Previously, BW Energy's strategy in the Golfinho field is to significantly extend field life through selective infill drilling developments towards 2024 final investment decision (FID) program of one gas well and one oil well. Given the cost inflation related to subsea equipment and services, the Issuer has decided to discontinue preparations for the two Golfinho infill wells. The Issuer will prioritise optimising production from the existing asset base, including stabilising FPSO performance and production capacity, upgrade of artificial lift systems in select wells as well as to reduce OPEX. These measures are expected to provide superior returns with low risk. It will also improve understanding of the reservoirs for future development activities.

### 6.5.6 Maromba

The following Section provides an overview of the Maromba block.

#### **Overview**

The Maromba discovery is located in the southern part of the Campos basin offshore Brazil, approximately 100 kilometres southeast of the city of Cabo Frio. The water depth in the area is approximately 160 meters. Maromba lies within a 375 square kilometer "ring-fence" carved out of the former BC-20 exploration block, called the BC-20A concession. Nine wells were drilled in the license between 1980 and 2006, and oil has been found in eight of these across various reservoirs including in the Eocene, Maastrichtian, Albian, Aptian and Barremian levels. To the east of Maromba lies the Papa Terra field, which was also carved out of the BC-20 exploration block and is currently producing heavy oil from an Upper Cretaceous Maastrichtian interval similar to the Maromba discovery. The Peregrino field to the north is also currently producing from the Maastrichtian sandstone.

Figure 3: Discoveries, prospects and leads within the Maromba Licence



***License history and ownership***

The licence (concession contract) governing Maromba was awarded to Petrobras in 1998 as part of Licencing Round Zero. Chevron joined as a 30% working interest partner in 2000. In March 2019, BW Energy, through its subsidiary BW Energy Maromba do Brasil Ltda, signed agreements to acquire the interests of both Petrobras and Chevron in the licence. In August 2019, the ANP granted BW Energy status as operator in Brazil and approved the transactions with Petrobras and Chevron for the acquisition of the Maromba field. The acquisition was closed in September 2019, upon which BW Energy became the holder of a 100% operated working interest.

The total acquisition price for the Maromba field is USD 115 million, which will be paid in three instalments as the development project passes certain pre-defined milestones. ANP's approval of the transactions and BW Energy's operator status triggered the first milestone payment of USD 30 million. The second payment of USD 25 million is due at the start of drilling activities, whereas the third and final payment of USD 605 million is due three months after first oil or three years after the start of drilling activities, whichever comes first.

BW Energy entered into a memorandum of understanding granting Magma Oil & Gas Ltda. ("**Magma**") an option to acquire a 5% working interest in the licence following first production. If the option is exercised, Magma will be required to pay 16.67% of (i) the amount paid by BW Energy to Chevron under the acquisition agreement between the Company and Chevron and (ii) its share of all capital and operating expenses for the development of the field to that date, including interest. Moreover, one of Magma's major shareholders has become a BW Energy employee in Brazil.

Under the current Maromba licence terms, the production licence expires in 2033 (27 years starting from 26 December 2006). However, BW Energy in December 2019 sent notice to ANP requesting an extension of the concession term. ANP approved the request in 2020, a new period of 27 years was triggered from the date of approval of the new development plan and extended the license through 2047.

***Geology and reservoirs***

The Campos Basin extends offshore from the outskirts of Vitoria (state of Espírito Santo) to Arraial do Cabo, off the northern coast of Rio de Janeiro, covering an area of approximately 100,000 square kilometres. The origin of the basin is related to the breakup of South American and African plates with the subsequent formation of the South Atlantic Ocean.

The primary oil-bearing zones of interest in Maromba are the Late Cretaceous sandstones deposited as deep-water turbidites over large contiguous areas. The Maastrichtian and other Late Cretaceous sandstones have good to excellent reservoir qualities with porosities up to 30% and permeabilities up to Darcy range.

The Maromba Maastrichtian was protected from erosion during Eocene sea-level drop by a mantle of overlying volcanics that were injected into the area during the Lower Eocene and Late Cretaceous. Pondered areas around these volcanics also allowed for Eocene sandstones, now containing known oil, to be deposited locally.

Below the Maastrichtian, the next prospective oil-bearing reservoirs are Albian in age. The depositional environment during the Albian was one of open-marine shallow water carbonates deposited prior to drowning by continued basin sag and sea-level rise during maximum flood (transgression). Stacked sequences of calcareous oncolite and oolite shoals are the main target for the Albian, however, oil is also known to be present in dolomitic reservoirs.

Below the Albian, the prospective oil-bearing reservoirs are Aptian to Barremian in age. Deposits are made up of cyclical and progradational carbonate bars of calcarenites and bioclasts capped by transgressive flooding surfaces.

Almost all of the oil in the Campos Basin is sourced from the same lacustrine calcareous shale deposited in Neocomian lake systems formed during the early stages of rifting.

#### ***Planned development concept***

Following the successful experience at Dussafu, BW Energy plans to develop the Maromba licence in phases, thereby minimizing up-front capital expenditure, accelerating time to first production and allowing the production and the supporting organization to grow organically. Phasing will furthermore provide important reservoir performance data which will be used to optimize future development phases.

BW Energy is currently progressing a new development plan and evaluating a wellhead platform with an integrated drilling facility for the Maromba field. The planned development concept include six wells to target the Maastrichtian reservoir and the crude will be stored and offloaded from the FPSO BW Maromba (formerly *Polvo*). BW Energy acquired FPSO BW Maromba from BW Offshore. The FPSO (now named *BW Polvo*) currently is at the COSCO yard in China with ongoing detailed work-scope planning in preparation for upgrades. Total oil production from Maromba at peak annual average is expected between 30-40,000 barrels of oil per day. The Maromba development is expected to recover gross 2P reserves of approximately 105.4 Mmboe. The final investment decision is subject to completion of the project financing.

#### **6.5.7 Kudu**

The following Section provides an overview of the Kudu field.

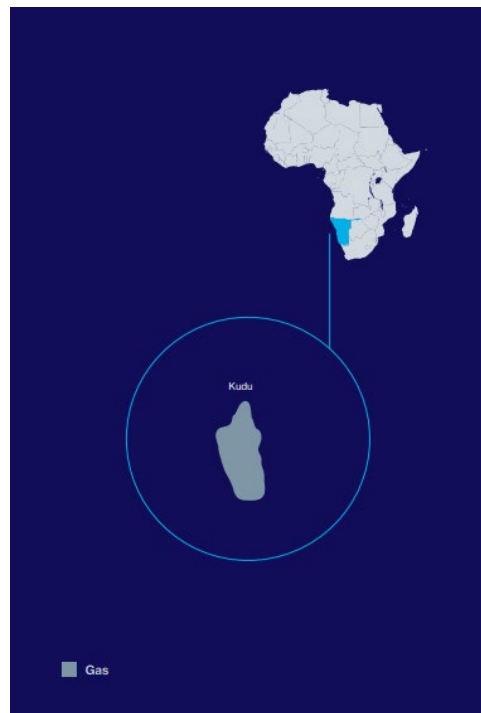
##### ***Overview***

The Kudu gas discovery is located in the northern Orange sub-basin approximately 130 kilometers off the south-west coast of Namibia. It is situated in Production Licence 003 ("**PL003**") which has an area of 4,567 square kilometres. The field is located in water depths of approximately 170 metres. The field was discovered in 1974 and is delineated by eight wells in total, being the initial exploration well, Kudu-1 and seven subsequent wells designated as appraisal wells.

In April 2024 Galp announced a major high quality oil discovery with 10 billion barrels of oil estimated resources in addition to the multi-billion barrel discoveries made by Shell and Total Energies in recent years. The Galp discovery is 60 kilometers downdip from Kudu.



Figure 4: Main K3 reservoir in the Kudu Licence



#### ***License history and ownership***

The Kudu field was discovered in 1974 by a consortium led by Chevron. Swakor, the predecessor of NAMCOR, drilled two appraisal wells in 1987 and 1988. Following the first exploration license bid round, Shell took over operatorship in 1993 and drilled a further appraisal well in 1996. Shell withdrew from the license in 2002 after having drilled a further three wells, first Kudu-5 in 1998, and then Kudu-6 and Kudu-7 as appraisal wells which proved unsuccessful as appraisal step-outs for a floating LNG development.

ChevronTexaco acquired Shell's interest in the license, but subsequently withdrew in 2003, leaving Energy Africa to assume 100% of the license, of which it transferred 10% to NAMCOR. Tullow acquired Energy Africa in 2004 and was awarded a production license (PL001) for the Kudu field in 2005. Itochu farmed-in for a 20% participating interest in PL001 in 2007 and a further appraisal well was drilled. Gazprom was introduced to the project in 2009, and a new production license (now PL002) was awarded. Gazprom subsequently withdrew in 2011, at which point Production license 003 (PL003) was awarded to NAMCOR, Itochu and Tullow.

When Tullow and Itochu withdrew from PL003 in late 2014 and mid-2015 respectively, NAMCOR became the sole holder of PL003. Following a process to attract a new operator for the development, BW Energy entered into a farm-in agreement for a 56% operated interest in early 2017, with NAMCOR retaining a 44% joint venture interest. In July 2021, the Issuer and the NAMCOR completed a Farm-in and Carry Agreement, which increased the Issuer's working interest in the license to 95%. Currently, BW Energy holds 95% operated ownership interest and NAMCOR holds a remaining 5% carried working interest, with an additional 5% back-in right upon first gas.

The Kudu license has a 25-year term effective from 24 October 2011. The term may be extended for up to 10 years, subject to the provisions of the Kudu petroleum agreement.



***Geology and reservoirs***

The Namibian continental margin represents a passive volcanic margin containing 3-5 kilometers of predominantly clastic post-rift sediments overlying a rifted continental basement. Located at the eastern border of the South Atlantic, which opened during the separation of the African and South American continents during the early Cretaceous, it represents a near mirror image of the northern Argentinian and southern Brazil conjugate margin.

The Orange Basin is the southernmost of the major South Atlantic rift basins. Rifting commenced in the Late Jurassic, and Lower Cretaceous aeolian and volcanoclastic sediments directly overlie the syn-rift unconformity. The aeolian sandstones, buried to a depth of 4400 meters, form the Kudu reservoir. An initial Barremian transgression, which resulted in the deposition of marine shale which seals the Kudu accumulation was followed by rapid subsidence and deep-water conditions in the mid-Cretaceous. Rapid sedimentation in the Upper Cretaceous caused a return to slope, then shelfal deposition and a series of marine shales and limestones were deposited. The overlying Tertiary sequences have a similar character, and the field lies beneath the current shelf edge, in a water depth of 170m.

The Kudu sandstones have a gross thickness ranging from 50-150 m, with net gas pay of up to 55 m, porosities of 6-15% and permeability of <10 md at reservoir conditions.

***Planned development concept and economic viability***

Historically, a number of potential Kudu project development concepts to enable exploitation of the discovered gas have been considered, including Floating LNG (FLNG), Gas-To-Power ("**GTP**") and Compressed Natural Gas (CNG). Following changes in the regional power market, the Kudu GTP development concept became the preferred design basis. On this basis, a development plan received government approval in 2013.

BW Energy is progressing a development plan for the gas-to-power project that will utilize a repurposed semi-submersible drilling rig as a Floating Production Unit. Repurposing will enable an optimization of the project timeline and significantly reduce capital investments compared to previous development concepts.

The development concept can offer concrete financial, schedule and environmental advantages. Utilising existing facilities also contributes significantly to minimizing greenhouse gas emissions related to field development, compared to the resources and efforts required for constructing a new facility. BW Energy is targeting the provision of power to a burgeoning African market with substantial growth prospects. The development of the Kudu field presents an appealing opportunity for the Issuer to enter the electricity market and potentially establish itself, either fully or partially, as an Independent Power Producer (IPP) through strategic partnerships.

In May 2023, the Issuer completed acquisition of ~5,000 square kilometers of 3D seismic that will help further enhance the depositional model and identify potential upside targets in the Kudu license. Analysis of the data from seismic survey, as well as additional data over an adjacent area acquired in 2024, is progressing. The Issuer is working on defining the target for a first appraisal well and is securing long-lead items for a drilling program planned in 2025. Preparations are also underway for an independent rig tender, however, there is a close dialogue with other operators in the Orange Basin on exploration common use available resources.

**6.6 Research and development**

Except for the development of its licensed fields (as described in detail in Section 6.5 "*Overview of the Group's business*", the Issuer is not engaged in any research and development activities.

## **6.7 Material agreements outside the ordinary course of business**

No company within the Group has entered into any material contracts or other agreements containing rights or obligations of material importance to such company or the Group outside the ordinary course of business during the two years preceding the date of this Prospectus. Considering the current state of development of the Group, it is the Issuer's opinion that the Group's existing business and profitability are not dependent upon any single contracts.

## **6.8 Governmental, legal and arbitration proceedings**

From time to time, the Issuer and other companies in the Group may become involved in litigation, arbitration, disputes and other legal or governmental proceedings arising in the normal course of business. Neither the Issuer, nor any other company in the Group has been part of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Issuer or the Group's financial position or profitability.

## **6.9 Applicable laws and regulations**

### **6.9.1 Introduction**

As an E&P company, BW Energy is required to ensure that its operations comply with the statutory requirements of any local governing authorities in the jurisdictions in which it operates and owns licenses. At date of the Prospectus, the Group has licenses in offshore Brazil, Gabon and Namibia, and production activity in Gabon and Brazil. Further, flag state national laws and regulations and IMO codes and conventions may be applicable.

BW Energy has established a management system covering policies and procedures for, amongst others, compliance with environmental regulations, which is regularly verified and audited both internally and externally. Internal audits are conducted by using a combination of external firms and the various disciplines within the organization, while external audits and inspections are conducted by coastal and flag state inspectors, regulatory authorities, classification bodies and other relevant governmental authorities.

A non-exhaustive summary of the major regulations that the Group complies with is set out below.

### **6.9.2 Gabon (Dussafu)**

#### **6.9.2.1 Overview**

All ownership of oil and gas in Gabon, including offshore Gabon, is vested in the State. The Ministry of Petroleum, Gas and Hydrocarbons (Fr.: *Ministère du Pétrole du Gaz et des Hydrocarbures*) regulates the upstream oil and gas industry in Gabon. Day-to-day responsibility for the upstream sector is currently carried out through the Directorate-General of Hydrocarbons (Fr.: *Direction Générale des Hydrocarbures*).

There are three main sets of regulations applicable to oil and gas contracts in Gabon, determined by when the contract was entered into. First, on a general basis, the oldest fields (pre-1977) operate under the terms of a concession agreement whereby royalties and corporation tax are notably paid to the state. Second, in 1983, Law No. 14/82 of 24 January 1983 relating to the Exploration and Exploitation of Hydrocarbons in Gabon (the "**1983 Hydrocarbons Law**") established the use of a production sharing contract (PSC), and contracts following the 1983 Hydrocarbons Law generally followed that regime. Third, in 2014, Law No. 011/2014 of 28 August 2014 relating to the Hydrocarbons Sector in Gabon (the "**2014 Hydrocarbons Law**") was enacted. The 2014 Hydrocarbons Law

prescribed certain fiscal terms for new PSCs; however, it is not generally retroactive aside from certain mandatory provisions of the 2014 Hydrocarbons Law that apply to pre-2014 PSCs. In June 2019, an additional hydrocarbons law entered into force.

The Dussafu PSC is regulated by the regime of the 1983 Hydrocarbons Law.

#### *6.9.2.2 The Dussafu license production sharing contract*

Harvest began operating the Dussafu Marin Permit in 2008 and made discoveries at the Ruche Prospect in 2011 and at the Tortue Prospect in 2012. In anticipation of the expiration of the exploration period of the production sharing contract (PSC) for the Dussafu Marin Permit in 2014, Harvest requested an exclusive exploitation authorization for an area around the discoveries, i.e. the Ruche AEE. This development area includes the Ruche and Tortue discoveries, along with the Moubenga discovery drilled by Elf Gabon in 1981, the Walt Whitman discovery drilled by Amoco Corporation in 1996, and the Ruche North East discovery drilled by BW Energy in 2018. The acreage outside the Ruche AEE was relinquished, but the Ruche AEE is still governed by the terms and conditions of the original PSC regulated by the regime of the 1983 Hydrocarbons Law, including a right to exploit hydrocarbon resources in the Ruche AEE for a period of 20 years after commencement of production, which occurred in September 2018. BW Energy assumed operatorship of the Dussafu Marin Permit in 2017 after purchasing Harvest's interest.

#### *6.9.2.3 1983 Hydrocarbons Law Regime*

The fiscal and regulatory framework of Gabon under the 1983 Hydrocarbons Law regulatory regime featured few hard and fast rules.

Pursuant to Article 3 of the 1983 Hydrocarbons Law, production sharing contracts would themselves define the limits of the exploration permits and their duration, the modalities for exploitation and the rules for the sharing petroleum production; and set out all the rights and obligations of the companies signing the PSC. PSCs were required be signed by the Minister of Hydrocarbons and countersigned by the Minister of Finance, and finally approved by Presidential Decree.

#### **Aside from the 1983 Hydrocarbons Law, the other main laws applicable in this regime are:**

- Law No. 14/74 of 21 January 1975 relating to Exploration and Exploitation Petroleum Activities in Gabon, and;
- Law No. 14/65 of 14 December 1965 relating to Mining Tax, as amended by Ordinance no. 38/79/PR of 23 December 1979.

On the basis of Article 3 of the 1983 Hydrocarbons Law, Gabonese production sharing contracts typically provide that the exploitation permits are granted to the Contractor by way of an order (arrêté) of the Minister of Hydrocarbons and that consent from the Government is required (either explicit or implicit) for a transfer of interests to a third party by a party other than the State, affiliated companies and partners on the PSC.

#### **The terms reached in PSCs under this regime were generally as follows:**

- The exploration phase can comprise either two (2) periods of five (5) years, or three (3) periods comprising an initial five years followed by two 2-years terms. This is based on the location of the block and the work program;

- The exploration phase comprises an initial 10-year period followed by a second and third period of five years each;
- There is a 10% minimum state participation and 5% minimum royalty payment (as a function of production); and
- In terms of tax and payments, cost oil is limited to 55%. Under the production-sharing contract system, oil companies are liable for the proportional mining royalty, the surface area royalty, and VAT, but are exempt from corporate income tax, the government being compensated with a share of the production. Under this system, production is subdivided into two parts, cost oil used to recover exploration and development expenses, and profit oil, which is divided between the government and the contractor according to the relevant provisions of the production-er through partner oil companies or by third-party intermediaries.

A final version of the new 2019 hydrocarbons law was published in the Official Journal by the Gabonese government in July 2019, and provided that existing PSCs would not be impacted by the new 2019 law except for when renewal or extension of an original term comes into prospect.

#### 6.9.2.4 *Environmental regulations*

The main environmental laws in Gabon are (1) Law 02/2014 on protection of environment, also known as "Code de l'Environnement" (the "**Environment Code**") and (2) Law 07/2017 on sustainable development. Those laws aim to foster a sustainable use of resources and development, limit pollution and nuisances, and improve the environment. The implementation of these principles under the laws is the responsibility of the Minister of Environment.

At this time, detailed implementation decrees for the 2014 Environment Code have not yet been passed. Pending such implementation decrees, the provisions of former decrees passed under the former 1993 Environment Code (to the extent not contradicted by the 2014 Environmental Code) will continue to apply. As such, Decree No 539 requires oil and gas operators to submit to the Environmental Administration a project notice which sets forth directives specific to the project. In order to elaborate these directives, the operator may have to organize a site visit. In addition, operators are requested to undertake a consultation process, including presenting the project to the local population. Minutes of the meetings must be signed by the authorities that attended.

Further, certain of the regulations under the 2014 Hydrocarbons Law apply to the Dussafu PSC, including health, safety and environmental reporting duties, impact and hazard assessment requirements, as well as requirements pertaining to abandonment and site remediation planning and, upon abandonment, duties to rehabilitate the production site.

#### 6.9.3 *Brazil (Maromba and Golfinho Cluster)*

##### 6.9.3.1 *The Brazilian regulatory framework*

Until 1995, the exploration and exploitation of oil and gas reserves were federal government monopolies carried out exclusively by the federal government-controlled company Petróleo Brasileiro SA (Petrobras). The enactment of Constitutional Amendment No. 09/1995 loosened the federal government's monopoly over such activities, allowing the federal government to contract state-owned or private companies to carry out inter alia E&P activities.

The Federal Law No. 9,478/1997 (the "**Brazilian Petroleum Law**"), enacted on August 6th, 1997, established a new regulatory framework for the performance of the aforementioned activities and introduced new regulatory bodies, such as the ANP and the National Energy Policy Council ("**CNPE**"). The CNPE was created with the main purpose of fostering rational use of the nation's energy resources, reviewing energy matrixes for different regions of Brazil and setting guidelines, while the ANP was created to regulate the oil and natural gas sector and to promote

the development and production of oil and natural gas in Brazil's sedimentary basins through a transparent and competitive bidding process. At that time, the concession regime applied to all areas.

In December 2010, three separate laws, including Law No. 12,351/2010 ("**Pre-Salt Law**") entered into force addressing the E&P of strategic areas and Brazil's offshore pre-salt reservoirs. These laws introduced a PSC regime applying for future licensing of pre-salt areas and certain other areas to be deemed strategic by the federal government, as well as the implementation of an oil fund to support social and economic development in Brazil.

#### 6.9.3.2 *E&P rights regimes in Brazil*

Currently, there are two main regulatory frameworks for the granting of E&P rights in Brazil (in which private companies can be entitled to explore, develop and produce hydrocarbons):

- **Concession regime (Maromba and Golfinho case):** Under the concession regime (similar to a tax-royalty regime and the main regime for E&P in Brazil), the concessionaire will explore and produce the reserves at its own risk and to its own benefit. The ANP conducts bidding rounds of areas referred to as blocks, which are approved by the CNPE and jointly with the invitation to bid, it publishes in advance to the bidding session the contract models (concession and consortium) that will govern the operation of granted areas. Concessions are granted for a period of 35 years counted from their effective date and taking into account all the phases of oil activity. Typically, the exploration phase lasts from two to eight years, usually divided into two different periods with specific commitments. By the end of the first period, which requires only seismic data acquisition, the concessionaire may relinquish from the area or decide to enter into a second exploratory period, which usually requires the commitment of one well. The production phase starts upon the declaration of commerciality of a field within the exploration phase and may last for 27 years thereof.

In the case of the Maromba field, the declaration of commerciality occurred on 26 December 2006 and the production phase may last for 27 years counted as from the referred date. In relation to the possibility of extending the term of the Concession Agreement, CNPE Resolution 2/2016, authorizes the ANP to extend Bid Round Zero concession contracts. The concessionaires interested in extending the concession contract must request such extension presenting a new Development Plan to ANP identifying the new investments they propose to perform. ANP has the discretionary right to decide whether or not to accept the request for extension. The extension period shall be consistent with the production forecast of the new Development Plan and the new investments and the extension is limited to 27 years which we intend to request to ANP should count from the submission of the new Development Plan. BW Energy submitted a new Development Plan to ANP and requested an extension of the term of the Concession Agreement which was granted by ANP. Currently, the Concession Agreement expires in December 2047.

In the case of the Golfinho field, the declaration of commerciality occurred on 15 January 2004, and the Concession Agreement expires on 15 January 2031. BW Energy submitted to ANP a new Development Plan for Golfinho and requested ANP to extend the term of the Concession Agreement until January 2042. ANP is still assessing BW Energy's request.

In case of the Camarupim field, the declaration of commerciality occurred on 22 December 2006, and the Concession Agreement expires on 22 December 2033. In case of Camarupim Norte field, the declaration of commerciality occurred on 2 September 2008, and the Concession Agreement expires on 2 September 2035. BW Energy submitted to ANP a new Development Plan for Camarupim Fields and requested ANP to extend the term of both Concession Agreements until January 2042.

In case of the BM-ES-23 Block, the declaration of commerciality has not occurred yet.

- **Production-sharing regime:** Relating to exploration and production on pre-salt areas and areas deemed strategic by the federal government. Under such regime the Brazilian Ministry of Mines and Energy ("**MME**") concludes with the oil companies and the Brasileira de Administração de Petróleo e Gas Natural

S.A. – Pré-Sal Petróleo S.A. (its interest shall be defined at the bidding auctions) a service agreement for the exploration and production of hydrocarbons and receives a part of the production as remuneration for its services. Under the PSC regime, Petrobras has a pre-emptive right to hold a minimum participating interest and be the operator of a pre-salt area.

The main government agencies that today affect the Group's operations in Brazil are: the Ministry of Labour and Employment (MTE), the Navy and DPC (Ports and Coasts Agency), the National Telecommunications Agency (ANATEL), the Natural Gas and Biofuels Agency (ANP), the Ministry of Health, the National Agency of Sanitary Vigilance (ANVISA), the National Agency of Civil Aviation (ANAC), the National Institute of Environment and Renewable Natural Resources (IBAMA), the Regional Council of Engineering and Agronomy (CREA), the tax and customs authorities, Brazilian Institute of Metrology, the Standardization and Industrial Quality agency (INMETRO), the Ministries of Economy and Infrastructure and the Civil and Federal Police.

#### 6.9.3.3 *Brazilian concessions regime*

The Group will be subject to the terms and conditions of the Maromba licence and the licenses in the Golfinho Cluster (known in Brazil as a "concession agreement") and specific regulation, including, among others, (a) rules and conditions for the relinquishment and partial decommissioning of the concession areas (including the removal of equipment and facilities and returning of assets); (b) indication of the guarantees to be presented by the concessionaires to assure the compliance with the license, including the investments and work to be made in each phase; (c) procedures related to the transferring of the concession agreement; (d) the procedures for calculation and payments of royalties and governmental participation; (e) the definition of reference prices for the sale of crude oil and natural gas. The regulation and application of the concession agreement terms and conditions are subject to the interpretation of the Brazilian agencies and regulatory bodies.

Pursuant to the terms and conditions of the license, the Group must, among other obligation: (i) bear all costs and risks related to the exploration, development and production of hydrocarbons, including liabilities for environmental damages; (ii) present to the ANP periodic reports, data and relevant information on the development and production of the upstream asset; (iii) pay government takes and royalties; and (iv) bear the costs of decommissioning of the facilities. Failure to comply with the concession agreement or specific regulation can subject the Group to pecuniary penalties and, in extreme situations, the termination of the concession agreement.

No local content is applicable to Maromba, Golfinho, or the Camarupim Fields, as Bid Round Zero concession contracts do not contain local content commitments. However, pursuant to clause 19 of the Maromba, Golfinho and Camarupim Fields concession agreements, the Group (in its capacity as concessionaire) will need to ensure equal opportunity to the domestic service providers to the extent available in comparable price and quality terms to those available in the international market. Evidence of compliance with the above obligation shall be provided to ANP in accordance with the procedure established under clauses 19.2.2 of the relevant concession agreements.

In the case of Brigadeiro, local content requirements apply. Hence, the Group (in its capacity as concessionaire) will need to comply with minimum of 30% local content during the exploration phase and the production development phase.

#### 6.9.3.4 *Brazilian environmental framework and licensing*

The ANP, Federal Environmental Protection Agency ("IBAMA") and state environmental regulatory agencies are responsible for the safety and environmental regulations regarding upstream activities. The IBAMA has authority over offshore blocks and unconventional oil and gas exploration, while the state environmental regulatory agencies have authority over onshore blocks that do not use unconventional methods. As the oil and natural gas regulatory body, the ANP supervises the compliance with environmental standards.

The licenses applicable for the oil and natural gas sector granted by the IBAMA are preliminary licenses, installation licenses and operating licenses. In addition, there are specific environmental licenses applicable to upstream activities, such as licenses for seismic research, preliminary licenses to drill and preliminary production licenses. The Brazilian Petroleum Law together with a number of ANP regulations impose obligations and liabilities with respect to decommissioning and deactivation of facilities, including the obligation to remove equipment and goods and to promote the environmental recovery of the area.

#### *6.9.3.5 The Brazilian tax framework*

##### **Corporate Income Tax**

Brazilian resident legal entities are subject to income tax on their worldwide income at a total rate of 34% (25% of Income Tax plus 9% of Social Contribution). Tax losses that are carried forward may be used, indefinitely, to offset up to 30% of a company's taxable income in a tax period.

##### **Royalties (government)**

Petroleum royalties in Brazil are set at 10% of the total production volume of crude oil and natural gas for a field (possibility to reduce the royalty rate to a minimum of 5% for specific blocks, considering factors such as geological risks and production expectations).

##### **Special participation payment (government)**

The special participation payment is a financial compensation for oil and gas concessionaires, particularly those with significant production volumes or high earnings. It is calculated based on net production revenues, adjusted for specific costs and expenses, using progressive rates that range from 10% to 40%.

Furthermore, in Brazil there are taxes classified as federal, state and municipal that are levied on goods, materials, services and financial transactions, such as (among others):

##### **Federal taxes:**

- import duty (II);
- excise tax (IPI);
- contribution to social security (PIS/COFINS);
- contribution on economic intervention (CIDE); and
- tax on financial transactions (IOF);

##### **State taxes (VAT):**

- tax on distribution of goods and interstate and intermunicipal transport (ICMS);
- Freight surcharge for renovation of the merchant marine fleet- ("AFRMM"),

##### **Municipal taxes:**

- tax on services (ISS).

##### **Exportation of oil**

Oil export transactions are exempt from ICMS, IPI, PIS and COFINS



## Tax Reform

Brazil is reforming its tax system, focusing on the taxation of goods, services, and rights. In 2023, the National Congress approved a framework for these changes, with a bill submitted in April 2024. Key changes include replacing the “ICMS” and “ISS” taxes with “IBS,” and the “PIS” and “COFINS” taxes with “CBS.” Additionally, a selective tax will be introduced for oil and gas extraction, with a rate of up to 1% on market value. The transition to the new tax model will occur gradually from 2026 to 2032, with the selective tax expected to take effect in 2027. Repetro is a key tax incentive for acquiring and exporting equipment in Brazil's oil and gas industry, mandated by Law No. 13,586/2017, Decree No. 6,759/2009, and Normative Ruling No. 1,781/2017. The Brazilian National Council of Fiscal Policy (CONFAZ) enacted ICMS Agreement No. 3 on 16 January 2018, allowing states to reduce the ICMS taxable amount and exempt ICMS on transactions involving goods used in exploration and production activities under Repetro-Sped.

### 6.9.4 Namibia (Kudu)

#### 6.9.4.1 Overview

The Namibian hydrocarbon rights regime is based on a royalty/tax regime, under which the independent or private oil company holds ownership of the facilities and owns the petroleum produced at or from the license or contract area. Allocation of rights is through an 'Open Licensing System' by means of an application process under which interested parties apply to the responsible ministry for a petroleum license in respect of specific offshore licensing area(s) or block(s).

There are three types of upstream petroleum licenses:

- a Reconnaissance License, which allows its holder to carry on reconnaissance operations subject to terms and conditions stipulated in or in respect of the license. Reconnaissance licenses are non-exclusive;
- an Exploration License, which permits its holder to carry on exploration operations exclusively in the block(s) to which it relates, again subject to terms and conditions stipulated in or in respect of the license, and;
- a Production License, which permits its holder to exclusively carry on production operations on the block(s) to which that license relates and to sell or dispose of petroleum recovered within such block(s) and any other activities as stipulated in the terms and conditions applicable to the license. The license in respect of the Kudu field in which the Group holds its 56% participating interest is a production license, and it is the only production license currently issued in respect of the Namibian offshore oil and gas areas.

The ministry responsible for the exploration for and production of oil and gas in Namibia is the Ministry of Mines and Energy (MME), with the Directorate of Petroleum Affairs (DPA), of which the Petroleum Commissioner is the head. The DPA is responsible for the administration of petroleum upstream licenses, amongst other things.

#### 6.9.4.2 The legislative framework

The legal framework governing the exploration for, development and production of oil and gas in Namibia is the Petroleum (Exploration and Production) Act, 2 of 1991 (as amended by the Petroleum Laws Amendment Act, 1998) (the "**Namibian Petroleum Act**") and the Petroleum (Taxation) Act, 3 of 1991 (the "**PTA**"). The latter falls outside the realm of the environmental, health and safety regulatory framework, and deals with the fiscal arrangements relating to the exploration for and development and production of oil and gas, of which an overview is set out below (see "*The Namibian fiscal framework applicable to petroleum exploration and production*" below).

Upon issuing an exploration or production license, the Minister is required to enter into a petroleum agreement with the license holder, which is based on the Model Petroleum Agreement, 1998. The petroleum agreement sets out



the terms and conditions applicable to a particular petroleum (reconnaissance, exploration or production) license. There are also a few mandatory statutory conditions applicable to petroleum licenses, which are set out in the Namibian Petroleum Act. These relate to local content provisions applicable to petroleum licenses, for example, that the licensee must give preference to qualified Namibian citizens in its recruitment of employees. Another example of local content requirements is that in terms of procurement of services, supplies, materials and equipment, preference ought to be given to suitable Namibian suppliers and contractors, whenever such goods and services can be obtained at prices that are competitive with international rates and are, in all substantive respects, of a quality and/or standard that is comparable with the quality or standards of such goods and services available outside Namibia.

#### 6.9.4.3 *Namibian environmental, health and safety framework and licensing*

The Petroleum Commissioner also oversees the administration of environmental, health and safety regulations contained within the *"Petroleum (Exploration and Production) Act, 1991 Regulations relating to the Health, Safety and Welfare of Persons employed, and protection of other Persons, Property, the Environment and Natural Resources, in, at or in the vicinity of Exploration and Production Area"*, including the issuing of the Offshore Installation Certificate of Fitness and the approval of the Emergency Preparedness Plan, which must be prepared by an operator of a petroleum license and be submitted for approval by the Petroleum Commissioner prior to the start of any offshore production operations.

BW Energy will or is likely to interact with a number of other public authorities in connection with its operations in Namibia, notably including:

- The Ministry of Environment and Tourism (MET) and the Department of Environmental Affairs (DEA). The DEA is responsible for managing and administering key functions under the Environmental Management Act, 7 of 2007, notably receiving and processing of applications for and issuing of environmental clearance certificates (ECCs), which is required for any person undertaking or wishing to undertake, inter alia, oil and gas production activities. The MET is also responsible for authorizations in respect of atmospheric emissions (e.g. flaring).
- The Ministry of Agriculture, Water and Forestry (MAWF), and the Department of Water Affairs and Forestry, which is responsible for the monitoring of surface and groundwater quality and quantity, amongst other matters. Abstraction and discharge into the sea during offshore oil and gas operations requires a permit in accordance with the Water Resources Management Act, 11 of 2013.
- The Ministry of Labour and Social Welfare, which is responsible for the implementation and enforcement of the Labour Act, 11 of 2007. The health and safety of personnel working offshore is regulated by the regulations under the Namibian Petroleum Act and is implemented and enforced by the MME through the Directorate of Petroleum Affairs.

#### 6.9.4.4 *The Namibian fiscal framework applicable to petroleum exploration and production*

The fiscal regime that applies to the petroleum industry in Namibia consists of a combination of petroleum income tax under the PTA, income tax on certain disposals under the Income Tax Act No. 24 of 1981 (the **"Income Tax Act"**), the administrative provisions as contained in the Income Tax Act and royalties levied on sales under the Namibian Petroleum Act.

The main elements of taxation and allowances applicable in this context to oil and gas companies in Namibia are the following:

- Petroleum Income tax (PIT): PIT is payable at a rate of 35% of taxable income, levied in respect of each license area separately. Unless a specific agreement to the contrary is entered into between joint license

holders, license holders are taxable proportionately to their interest in a specific license area. There is no specific agreement to the contrary in respect of the Kudu license area between the Group and its license partner.

- **Additional profit tax (APT):** APT will be payable where operations in the license area earn an after tax rate of return of at least 15%. APT is levied on the after tax net cash flow from petroleum operations, determined by deducting the petroleum royalties, the deductible exploration and development expenditure as well as the petroleum income tax from gross income. ATP is a tax on net cash flow and not accounting profits (where depreciation, and other items, such as interest on loans, is deducted). The first tranche of APT is only payable where operations in the license area earn an after tax rate of return of at least 15%. Where operations in the license area earn an after tax rate of return of 20% or 25%, the second and third tranches of APT become payable.
- **Corporate income tax (CIT) on disposals:** Amounts received as consideration on the sale, donation expropriation, cession, grant or other alienation or transfer of ownership of a petroleum license, a right to mine petroleum and shares held directly or indirectly in a company that holds such a license or right to mine must be included in gross income and is taxed at the CIT rate of 32%. Provision is made for the deduction of costs of the acquisition of the license or right and, in the case of petroleum licenses and rights, the costs of improving the licenses and rights.
- **Royalties:** A royalty of 5% of the wellhead value of gas produced applies, and it is payable quarterly on or before the last day of the calendar month following each quarter, under the Kudu petroleum agreement to and for the benefit of the State Revenue Fund;
- **Deductible expenditure:** In terms of the PTA deductible expenditure for the purposes of the PTA are expenses actually incurred, in respect of the particular license area, in the production of gross income.
- **Capital allowances and incentives in respect of deductible expenditure:** Capital expenditure is divided into exploration expenditure and development expenditure. The expenditure is carried forward to the year that production commences.
  - (i) All exploration expenditure can be deducted in full in the first year of production as well as one third of development expenditure. The balance of development expenditure can be deducted in the two subsequent years in equal instalments.
  - (ii) Furthermore, in terms of the PTA, exploration expenditure incurred after the year in which production commenced is immediately deductible, while all other capital expenditure may be deducted in three equal instalments, commencing in the year incurred.
- **Withholding tax ("WHT"):**
  - (i) WHT on dividends / non-resident shareholders tax: Petroleum license holders are exempt from non-resident shareholders' tax ("**NRST**") and NRST is not imposed on dividends declared from profits of upstream oil and gas operations in Namibia.
  - (ii) WHT on interest will be imposed at a rate of 10% on interest payments to non-residents.
  - (iii) WHT on services and on royalties: Generally speaking, petroleum companies will not be liable for any taxes imposed in terms of the Income Tax Act. However, suppliers and service providers of the license holder will be taxable in terms of the Income Tax Act on any income sourced in Namibia, i.e. within the 200 nautical mile area, as well as on income for the use of any intellectual property (including WHT on royalties on payments for the use of industrial, commercial and scientific equipment in Namibia) and services rendered irrespective of the source of income. WHT on services will be imposed at a reduced rate of 10% on payments for services rendered by a non-resident to a resident of Namibia irrespective of where the services are rendered. WHT on services applies to payments by a resident to a non-resident in respect of administrative, managerial, consultative or technical or any similar services, whether such services are of a

professional nature or not and to any entertainment fee payable by a resident to a non-resident, as well as directors' fees paid to non-residents. Non-resident suppliers and service providers in the petroleum industry often contract net of any in-country taxes and the taxes applying to non-residents' income in Namibia often become a cost for the license holder, and therefore, will need to be considered by the license holder. The rate of WHT is 10%, and relief may be provided by the provisions of a double taxation agreement.

- VAT and customs duties: VAT is chargeable at 15% on invoices for goods and services by every registered person. Petroleum license holders must charge VAT on invoices for goods or services unless they are exported, in which case VAT at 0% may be levied. As VAT-registered persons, petroleum license holders are entitled to claim credit for VAT paid on invoices issued by Namibian suppliers against VAT charged on supplies made in Namibia. Even though the import of goods into Namibia (from outside the Southern African Customs Union) attracts VAT and customs duties, petroleum license holders are exempt from paying import VAT under Schedule V of the VAT Act. Therefore, the import of the FPS vessel engaged or acquired for the production of gas from the Kudu field would be exempt from import VAT and will be subject to a full rebate from customs duty on import.
- Licensing /registration fees: An initial application fee for a production license of ZAR30,000 (as stated in Schedule 1 of the Namibian Petroleum Act), and then an annual rental charge applies, which in respect of the Kudu field license is equivalent to the square kilometers of the block x 1,500 (payable in Namibian dollars) as provided in the Kudu petroleum agreement. These payments are made for the benefit of the State Revenue Fund.
- Training contribution: License holders also will be required to pay training contributions for the benefit of the Petroleum Training and Education Fund and for the benefit of promoting the training of Namibian citizens in petroleum related operations. The training contribution is payable annually for each calendar year (or pro rata thereof) throughout the term of the license and will be negotiated between the MME and the license holders.

## 7 SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

### 7.1 Introduction, basis of preparation

The selected financial information referenced in this Section has been extracted from the Financial Information, as defined in Section 4.2.1 "Financial information".

### 7.2 Selected historical financial information

The table below references pages in the Financial Information, including selected historical financial information.

	Interim financial statements for the six months period ended 30 June 2024 (unaudited)	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Consolidated statement of income	Page 6	Page 77	Page 67
Consolidated statement of comprehensive income	Page 6	Page 78	Page 68
Consolidated statement of financial position	Page 7	Page 79	Page 69
Consolidated statement of cash flow	Page 9	Page 81	Page 71
Notes	Page 11-16	Page 82-110	Page 72-99
Audit report	-	Page 124-127	Page 111-114

### 7.3 Independent auditor

The Issuer's independent auditor is KPMG, with registration number 935 174 627 and with registered address Sørkedalsveien 6, NO-0369, Oslo, Norway. The partners of KPMG are members of the Norwegian Institute of Public Accountants (Nw.: *Den norske Revisorforening*).

KPMG has been the Issuer's independent auditor since the Issuer's incorporation in May 2019.

KPMG has audited the Annual Financial Statements, and the audit reports are included in the Annual Financial Statements, incorporated by reference in this Prospectus. KPMG has not audited, reviewed or produced any report on any other information provided in this Prospectus.

## **8 FINANCIAL OVERVIEW AND RECENT DEVELOPMENTS**

*This Section on financial overview should be read together with the Financial Information and related notes included therein. The Financial Information has been incorporated by reference into this Prospectus. This Section on financial overview should be read together with Section 4 "General information", Section 6 "Business of the Group" and Section 7 "Selected historical financial information and other information".*

*This Section on financial overview contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk factors" of this Prospectus, as well as other Sections of this Prospectus.*

### **8.1 General overview and recent developments**

Since 31 December 2023, the Group has not experienced, nor has it any information on, any significant trends in production, sales and costs and selling prices, uncertainties, demands, commitments or events that are reasonably likely to have a material adverse effect or result in any material adverse change on the Group's prospects for the current financial year.

### **8.2 Significant changes in the financial position of the Group**

There have been no significant changes in the financial position of the Group since 30 June 2024 (being the end of the last financial period for which financial information has been published).

### **8.3 Significant changes in the financial performance of the Group**

There have been no significant changes in the financial performance of the Group since 30 June 2024 (being the end of the last financial period for which financial information has been published).

### **8.4 Recent events relevant to the evaluation of the solvency of the Issuer**

There have been no recent events particular to the Group that to a material extent are relevant for the evaluation of the solvency of the Issuer.

### **8.5 Material changes in the borrowing and funding structures**

On 19 June 2024, the Issuer entered into the Bond Terms for the "BW Energy Limited 10% Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029". The Bonds were issued to the Bondholders on 21 June 2024. As of the date of this Prospectus, the outstanding amount under the Bonds is USD 100,000,000. For a detailed description of the Bonds please see Section 5 "The Bonds" and the Bond Terms included in [Appendix 2](#).

Other than the above, there have been no material changes in the borrowing and funding structures of the Group since 31 December 2023.

### **8.6 Expected financing of the Group's activities**

The Issuer is currently pursuing various financing initiatives in support of its planned field developments.

For the Dussafu field, following the successful delivery of the current Hibiscus and Ruche development scope, the Issuer intends to amend and extend its existing reserve-based lending (RBL) facility to support continued development activities at Dussafu as well as other field development activities in Brazil.

For the Maromba field, the Issuer is progressing with financing arrangements for the development of infrastructure and field-specific activities ahead of the planned final investment decision (FID) for the project. The Issuer is currently working on an Export Credit Agency-backed facility for the FPSO unit, with execution planned in China. Additionally, the Issuer is evaluating several financing options for the balance of the field development cost.

For the Golfinho field, the Issuer has an existing prepayment facility in place. In connection with ongoing and future development activities, the Issuer is exploring the possibility of securing longer-term financing solutions to support the continued development of the field.

## 9 THE BOARD OF DIRECTORS AND MANAGEMENT

### 9.1 The Board of Directors

#### 9.1.1 Introduction

The Issuer's board of directors (the "**Board of Directors**") is responsible for the overall management of the Issuer and may exercise all of the powers of the Issuer not reserved to the Issuer's Shareholders by the Bye-laws of the Issuer (the "**Bye-Laws**") or Bermuda law. The Bye-Laws provide that the Issuer's Board of Directors shall consist of not less than two members (each a "**Board Member**") or such number in excess thereof as the Shareholders may determine.

The Directors are elected by the Shareholders at the relevant annual general meeting or any special general meeting called for that purpose, unless there is a casual vacancy, and the Shareholders may authorize the Board of Directors to fill any vacancy in their number left unfilled at a general meeting of the Shareholders. If there is a vacancy of the Board of Directors occurring as a result of the death, disability, disqualification or resignation of any Board Member or as a result of an increase in the size of the Board of Directors, the Shareholders has the power to appoint a Board Member to fill the vacancy.

The Board of Directors consists of six Directors, as listed in the table in Section 9.1.2 below.

#### 9.1.2 Composition of the Board of Directors

The current Board of Directors consists of six Board Members.

The names and positions of the Board Members as of the date of this Prospectus are set out in the table below. The Issuer's registered business address serves as business address for the Board Members as regards their directorship in the Issuer.

Name	Position
Andreas Sohmen-Pao	Chair
Darrell McKenna	Board Member
Alan Dowokpor	Board Member
Hilde Drønen	Board Member
Russell Scheirman	Board Member
Ana Zambelli	Board Member

Set out below are brief biographies of the Board Members, as well as indications of each of the Board Member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a Board Member is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

#### 9.1.3 Brief biographies of the Board of Directors

##### **Andreas Sohmen-Pao, chair of the Board**

Andreas Sohmen-Pao is chair of BW Group and listed affiliates BW Offshore, BW LPG, Hafnia, BW Energy and Cadeler. Mr. Sohmen-Pao is also chair of the Global Centre for Maritime Decarbonisation, and a trustee of the Lloyd's Register Foundation. Mr. Sohmen-Pao was previously chair of the Singapore Maritime Foundation and has served as a non-executive director of The Hongkong and Shanghai Banking Corporation Ltd, London P&I Club, Navigator Holdings, Singapore Symphonia Company, National Parks Board Singapore, Sport Singapore and the

Maritime and Port Authority of Singapore, among others. Mr. Sohmen-Pao graduated from Oxford University in England with an honours degree in Oriental Studies and has an MBA from Harvard Business School.

*Current directorships and management positions:* ..... *BW Group (Chair of the board), Global Centre for Maritime Decarbonisation (Chair of the board), Lloyd's Register Foundation (trustee)*

### **Darrell McKenna, Board Member**

Darrell McKenna is currently the executive chair of the board and technical advisor to engineering and field staff of Samson Oil and Gas/Springline Energy. Mr. McKenna has over 40 years of experience in the oil and gas industry in various engineering and leadership roles of a wide range of companies within the energy sector, including Mobil, Schlumberger, Hess, Kosmos Energy and Oracle Energy. Mr. McKenna holds a degree in Petroleum Engineering from the Montana School of Mineral Science and Technology (Montana Tech) in Butte, Montana.

*Current directorships and management positions:* ..... *Samson Oil and Gas/Springline Energy (Executive chair of the board and technical advisor)*

### **Alan Dowokpor, Board Member**

Alan Dowokpor is currently deputy chair and a member of the remuneration and nominations committee of the board of Harwich Haven Authority. Mr. Dowokpor has over 30 years of global, strategic, operations and business leadership experience in the oil and gas industry with a focus on upstream exploration, production, and development from BP and Tullow Oil. Mr. Dowokpor holds a Masters degree in Petroleum Engineering from Imperial College, London.

*Current directorships and management positions:* ..... *Harwich Haven Authority (deputy chair and a member of the remuneration and nominations committee of the board)*

### **Hilde Drønen, Board Member**

Hilde Drønen is currently the chief financial officer of DOF ASA, an oilfield services group listed on the Oslo Stock Exchange, and chief executive officer in Norskan AS and DOF Iceman AS. Ms. Drønen has several directorships of various companies, including board member in Beerenberg AS, Djupedalen AS and several companies within the DOF group. Additionally, Ms. Drønen is board member in the foundation *Norges rederiforbunds fond til NHH*. Ms. Drønen's previous experience includes being, inter alia, the Chief Financial Officer in DOF Management AS, director of finance with Bergen Yards AS, and group controller for the Møgster Group. Ms. Drønen holds a Masters Degree from the Norwegian School of Management and MBA from Norwegian School of Economics and Business Administration.

*Current directorships and management positions:* ..... *DOF ASA (chief financial officer), Norskan AS (chief executive officer), Beerenberg AS (board member), Beerenberg Holding AS (board member), Beerenberg Services AS, Djupedalen AS (board member), Norges rederiforbunds fond til NHH (board member), DOF Sjø AS (board member), DOF Subsea Chartering AS (board member), DOF Subsea Rov AS (board member), DOF Iceman AS (chief executive officer).*



### Russell Scheirman, Board Member

Russell Scheirman has more than 35 years in the oil & gas industry. Mr. Scheirman has held senior positions at McKinsey, ExxonMobil and VAALCO Energy, Inc. Mr. Scheirman holds a Bachelor of Science degree and Master of Science Degree in Mechanical Engineering from Duke University, and an MBA from California Lutheran University.

Current directorships and management positions: ..... -

### Ana Zambelli, Board Member

Ana Zambelli currently holds position as board member at Seadrill and is the head of the Diversity Committee of the Brazilian Petroleum Institute. Previously, Ms. Zambelli was a managing director of Brookfield Private Equity Inc., responsible for business operations in Brazil. She has more than 23 years of international experience in the oil and gas industry. Her previous experience include being board member of a wide range of companies within the energy sector, including Petrobras and Braskem and in other industries, and senior executive roles within Maersk Drilling, Transocean and Schlumberger. Ms. Zambelli holds a Master of Science Degree from Heriot-Watt University in Scotland, a Bachelor of Science degree from the Federal University of Rio de Janeiro and post graduate certifications from Columbia University and MIT.

Current directorships and management positions: ..... Seadrill Limited (board member), Brazilian Petroleum Institute (head of diversity committee), Braskem S.A. (board member) and Petróleo Brasileiro S.A. (board member)

## 9.2 Management

### 9.2.1 Overview

The Issuer's senior management team (the "**Management**") currently consists of eight individuals.

The names of the members of Management and their respective positions are presented in the table below. The Issuer's registered business address serves as business address for the members of the Management in relation to their positions within the Issuer.

Name	Position
Carl Krogh Arnet	CEO
Brice Morlot	CFO
Lin Garner Espey	Chief Operating Officer
Thomas Kolanski	Chief Commercial Officer
Thomas Young	Chief Strategy Officer
Tara Leiter	Executive Vice President and General Counsel
Liana Almeida	Senior Vice President of Human Capital
Jerome Bertheau	Executive Vice President – Global Projects

Set out below are the brief biographies of each member of the Management, as well as indications of each member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a member of the Management is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

### 9.2.2 Brief biographies of the members of the Issuers' Management

#### Carl Krogh Arnet, CEO

Carl Krogh Arnet is CEO in BW Energy. Mr. Arnet has more than 40 years' experience in the oil and gas industry. Prior to his current role in BW Energy, Mr. Arnet has experience as, *inter alia*, the CEO of BW Offshore Limited and the managing director of APL AS. Additionally, Mr. Arnet has held various positions at Norsk Hydro ASA and Conoco UK. Mr. Arnet holds a number of other board memberships and chairmanships in non-related companies, including board member in Can Systems AS (chair of the board) and in *Den Norske krigsforsikring for skib gjensidig forening*. He was previously a non-executive director of the Maritime and Port Authority of Singapore. Mr. Arnet holds a Master of sciences from the Norwegian University of Science and Technology and an master of business administration from the Norwegian School of Management.

Current directorships and management positions: ..... Can Systems AS (chair of the board), Den Norske krigsforsikring for skib gjensidig forening (board member)

### **Brice Morlot, CFO**

Brice Morlot is CFO in BW Energy. Mr. Morlot joined BW Energy in 2024. He brings extensive experience, combining a solid financial understanding with an operational background in the E&P business. Prior to BW Energy, he served as Managing Director of Assala Energy in Gabon, and held previous leadership roles in Assala, SCOR and Perenco. Mr. Morlot has a Master's degree in Economics from Université Catholique de Lille, a Master's degree in Civil Engineering from Hautes Etudes d'Ingénieur and, a Masters degree in Petroleum Engineering and Project Development from IFP School.

Current directorships and management positions: ..... -

### **Lin Garner Espey, Chief Operating Officer**

Lin Garner Espey is Chief Operating Officer in BW Energy. Espey was previously Head of E&P of BW Offshore. Prior to joining BW Offshore, Mr. Espey has experience from British Gas, BP, Vaalco and Memorial Resource Development. Mr. Espey's training by background is reservoir and production engineering, field development and economic evaluation. Mr. Espey holds a Bachelor of Science in Petroleum Engineering from The University of Texas at Austin. Mr. Espey is currently a member of the University of Texas System Chancellor's Council.

Current directorships and management positions: ..... The University of Texas System (Member-Chancellors council)

### **Thomas Kolanski, Chief Commercial Officer**

Thomas Kolanski is Chief Commercial Officer in BW Energy. Previously, Mr. Kolanski was vice president of Business Development and general manager of BW Offshore USA. Mr. Kolanski led the team that identified and secured the initial field development opportunities for BW Energy and was instrumental in the development of the BW Energy strategy. Prior to joining the BW Group, Mr. Kolanski had 15 years of industry experience and has worked for companies such as Technip, Wellstream and SBM. Mr. Kolanski has a Bachelor of Science in Mechanical Engineering from the University of Texas and a Juris Doctorate from South Texas College of Law and was admitted to Texas Bar in 2009.

Current directorships and management positions: ..... -

### **Thomas Young, Chief Strategy Officer**

Thomas Young is Chief Strategy Officer in BW Energy. Mr. Young was a former senior vice president of Commercial Strategy & Analysis of BW Offshore. He joined BW Offshore in 2012 and has been a main contributor in the

development of E&P strategic initiative. Mr. Young holds a Bachelor Degree in Commerce with double major in Finance and Economics from Griffith University Australia.

*Current directorships and management positions:* ..... -

#### **Tara Leiter, Executive Vice President and General Counsel**

Tara Leiter is Executive Vice President, General Counsel and Assistant Company Secretary in BW Energy. Prior to joining BW Energy, Ms. Leiter was a senior lawyer at ExxonMobil and global law firm, Blank Rome. Ms. Leiter has over 20 years of experience in oil and gas, maritime, governance, trading/hedging, and large project finance. Ms. Leiter has a Bachelor of Law/International Relations and a Master of Laws in International Law from the University of Malta and a Master of Laws in International Maritime Law from the IMO International Maritime Law Institute, Malta. Ms. Leiter is a dual qualified lawyer in the US and UK.

*Current directorships and management positions:* ..... -

#### **Liana Almeida, Senior Vice President of Human Capital**

Liana Almeida is Senior Vice President of Human Capital in BW Energy. Prior to this, Ms. Almeida was Vice President of Human Resources for Wellbore Technologies Business Segment. Ms. Almeida has broad Human Resources industry experience from major E&P Services Companies in US, Latin America, and Africa. Ms. Almeida holds an MBA in Human Resources from Pontificia Catholic University of Rio de Janeiro, Brazil.

*Current directorships and management positions:* ..... -

#### **Jerome Bertheau, Executive Vice President – Global Projects**

Jerome Bertheau is Executive Vice President – Global Projects in BW Energy. Prior to this, he served as Project Director at Perenco Oil & Gas – Gabon and held previous leadership roles at GE, SBM and Technip. Mr. Bertheau holds a Master in Mechanical Engineering from ECAM LaSalle.

*Current directorships and management positions:* ..... -

### **9.3 Conflicts of interests etc.**

There are no actual or potential conflicts of interest between the private interests or other duties of any of the members of the respective Board of directors and Management of the Issuer. There are no family relations between any of the members of the respective board of directors and management of the Issuer.

## 10 CORPORATE INFORMATION

*The following is a summary of certain corporate information and material information relating to the Issuer, including summaries of certain provisions of the Bye-Laws. The summary does not purport to be complete and is qualified in its entirety by the Bye-Laws and applicable law.*

### 10.1 Company corporate information

The Issuer's registered and commercial name is BW Energy Limited. The Issuer is an exempted company limited by shares validly incorporated on 22 May 2019 and existing under the laws of Bermuda and in accordance with the Bermuda Companies Act. The Issuer is registered with the Bermuda Registrar of Companies under registration number 54653 and its LEI code is 5493004D19CJBN3DLD40. The Issuer's registered business address is Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189 Hamilton, Pembroke, HM EX, Bermuda, which is also its principal place of business. The telephone number to the Issuer's principal offices is +65 6632 7888 and the website is <https://www.bwenergy.no/>. Other than set out in Section 12.4 "Incorporation by reference", the content of the Issuer's website is not incorporated by reference into this Prospectus, nor does it in any other manner constitute a part of this Prospectus.

The Bonds are registered in book-entry form with the CSD under ISIN NO0013259663. Nordic Trustee Services AS, with registered address Kronprinsesse Märthas plass 1, N-0116 Vik, Norway, is responsible for keeping the records.

In accordance with common practice for Bermuda incorporated companies, the objects of the Issuer, as set out in paragraph 6 of its Memorandum of Association, are unrestricted. The Bye-Laws do not constrain or limit the Issuer's objects as set out in the Memorandum of Association.

### 10.2 Legal structure

The Issuer is the parent company of the Group. The Group's operations are carried out through the Issuer's operating subsidiaries, and the main portion of the Group's cash balance is held at subsidiary level to cover the daily liquidity requirements of the operating subsidiaries. As such, and as described in Section 2 "Risk Factors" above, the Issuer is dependent on the upstreaming of cash and dividends from its subsidiaries in order to service its debt and operational expenditures.

The table below sets out brief information about the Issuer's direct and indirect subsidiaries, including country of incorporation.

Company	Country of incorporation	Holding (%)
BW Energy Dussafu B.V.	Netherlands	100
BW Energy Gabon SA	Gabon	100
BW Energy Holdings Pte Ltd	Singapore	100
BW Energy Maromba B.V.	Netherlands	100
BW Energy Maromba do Brasil Ltda	Brazil	100
BW Energy Mabomo Limited	Bermuda	100
BW Energy Norway Management AS	Norway	100
BW Energy OI Ltd	Bermuda	100

Company	Country of incorporation	Holding (%)
BW Energy Peixe Ltda.	Brazil	100
BW Energy PI Holding Limited	United Arab Emirates	100
BW Energy Production Pte Ltd	Brazil	100
Bard Wisdom Projects Management FZE	United Arab Emirates	100
BW Energy Services Limited	Bermuda	100
BW Energy Trading Ltd	Bermuda	100
BW Energy Trading Golfinho Ltd	Bermuda	100
BW Energy Trading Holdings Ltd	Bermuda	100
BW Energy USA Management Inc.	USA	100
BW Kudu Holding Pte Ltd	Singapore	100
BW Kudu Limited	United Kingdom	100
BW Maromba Holdings Pte Ltd	Singapore	100
BWE Mgmt Portugal, LDA	Portugal	100
BW Energy Rundu Limited	United Kingdom	100
BW Energy Dubai Holding Limited	Bermuda	100

### 10.3 Authorized and issued share capital

As of the date of this Prospectus, the Issuer's authorized share capital is USD 3,000,000 consisting of 300,000,000 shares with a par value of USD 0.01 each, of which 257,994,300 shares have been issued and are fully paid.

The Issuer has one class of shares. All of the shares rank in parity with one another and carry one vote per share. The Issuer's issued shares are listed on the Oslo Stock Exchange under ticker code "BWE" and registered in the CSD under ISIN BMG0702P1086.

The Board of Directors may issue any authorized but unissued shares of the Issuer subject to any resolution of the shareholders to the contrary. Any issuance of preference shares by the Board of Directors is subject to the creation of such class of preference shares by resolution of the shareholders at the General Meeting. As of the date of this Prospectus, no preference shares have been issued or authorized.

### 10.4 Major shareholders

As of the date of this Prospectus, the Issuer's five largest shareholders are as set out below:

Shareholder	No. of Shares	Percentage
BW Energy Holdings Limited	197,343,997	76.49%
BNP Paribas	14,858,749	5.76%
DNB Luxembourg S.A.	3,881,010	1.50%
Brown Brothers Harriman (Lux.) SCA	3,415,163	1.32%
Clearstream Banking S.A.	2,818,237	1.09%

On 29 November 2023, BW Group Limited acquired 250,000 shares in Issuer and thereby crossed the mandatory offer threshold of 40% of the total shares outstanding and voting rights. Consequently, BW Group Limited put forward an offer to acquire all shares in the Issuer. BW Group Limited received acceptances for approximately 12% of the outstanding shares through the offer, increasing its ownership to 51.86%. Subsequently, on 22 January 2024, BW Offshore Limited and BW Group Limited entered into an agreement for BW Offshore Limited to sell all of BW Offshore's 58,111,461 (22.52%) shares in the Issuer to BW Group Limited. On 20 June 2024, BW Group Limited sold all of its shares in BW Energy to BW Energy Holdings Limited as part of a corporate restructuring. BW Energy

Holdings Limited is owned and controlled by chair of the Board, Andreas Sohlen-Pao.

The Issuer's largest shareholder, BW Energy Holdings Limited, holding 74.38% of the Issuer's issued share capital controls the Issuer. The Company adheres to the Norwegian Code of Practice for Corporate Governance, which included several recommendations aimed at ensuring protection of minority shareholders. Moreover, and in accordance with the recommendations of the Norwegian Code of Practice for Corporate Governance, four out of six Directors are regarded as independent of BW Energy Holdings Limited. Minority shareholders are also protected against abuse by relevant regulations in *inter alia* the Bermuda Companies Act and the Norwegian Securities Trading Act.

Other than as set out above. No particular measures have been put in place to ensure that control is not abused by large shareholders.

As of the date of this Prospectus, the Issuer does not hold any treasury shares.

The Issuer is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the issuer.

## **11 SELLING AND TRANSFER RESTRICTIONS**

*As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the securities described herein. The Issuer is not taking any action to permit a public offering of the Bonds in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Bonds (or any other securities described herein), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Bonds (or any other securities described herein) could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Bonds, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.*

### **11.1 Selling and transfer restrictions**

#### **11.1.1 United States**

The Bonds have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States.

#### **11.1.2 Other jurisdictions**

The Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any other jurisdiction in which it would not be permissible to offer the Bonds.

## 12 ADDITIONAL INFORMATION

### 12.1 Independent auditor

The Issuer's independent auditor is KPMG, with registration number 935 174 627 and with registered address Sørkedalsveien 6, NO-0369, Oslo, Norway. The partners of KPMG are members of the Norwegian Institute of Public Accountants (Nw.: *Den norske Revisorforening*).

### 12.2 Advisors

DNB Markets, a part of DNB Bank ASA, with registration number 984 851 006 and registered address Dronning Eufemias gate 30, N-0191, Oslo, Norway and Pareto Securities AS, with registration number 956 632 374 and registered address Dronning Mauds gate 3, N-0250 Oslo, Norway, have acted as Joint Bookrunners in connection with the Bond Issue.

Fearnley Securities AS, with registration number 945 757 647 and registered address Dronning Eufemias gate 8, N-0191, Oslo, Norway, and SpareBank 1 Markets AS, with registration number 992 999 101 and registered address Olav Vs gate 5, N-0161 Oslo, Norway, have acted as co-managers in connection with the Bond Issue.

Wikborg Rein Advokatfirma AS, with registration number 916 782 195 and registered address Dronning Mauds gate 11, N-0250 Oslo, Norway, has acted as Norwegian legal counsel to the Issuer in connection with the Listing.

### 12.3 Documents on display

Copies of the following documents will be available for inspection at the Issuer's offices during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- the Issuer's Memorandum of Incorporation and Bye-Laws;
- all reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request, any part of which is included or referred to in this Prospectus; and
- this Prospectus.

The documents are also available at the Issuer's website <https://www.bwenergy.no/>. The content of the website is not incorporated by reference into, or otherwise form part of, this Prospectus.

### 12.4 Incorporation by reference

The information incorporated by reference in this Prospectus should be read in connection with the cross-reference table set out below. Except from this Section 12.4, no other information is incorporated by reference in this Prospectus.

Reference in Prospectus:	Refers to:
Summary, Sections 4.2.1 and 7.2	The Interim Financial Statements, available at <a href="https://www.bwenergy.no/investors/reports-and-presentations/">https://www.bwenergy.no/investors/reports-and-presentations/</a>



Reference in Prospectus:	Refers to:
Summary, Sections 4.2.1 and 7.2	The Annual Financial Statements, available at <a href="https://www.bwenergy.no/investors/reports-and-presentations/">https://www.bwenergy.no/investors/reports-and-presentations/</a>
Section 4.3.1	The Annual Statement of Reserves, available at <a href="https://www.bwenergy.no/investors/reports-and-presentations/">https://www.bwenergy.no/investors/reports-and-presentations/</a>

## 13 DEFINITIONS AND GLOSSARY OF TERMS

<b>AED</b>	United Arab Emirates dirham, the lawful currency of the United Arab Emirates
<b>Adjusted EBITDA</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Additional Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Agreed Security Principles</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Annual Financial Statements</b>	Audited consolidated financial statements for the Issuer
<b>Annual Statement of Reserves</b>	The Issuer's annual statement of reserves for the year ended 31 December 2023
<b>APMs</b>	Alternative performance measures, as defined by the European Securities and Markets Authority's Guidelines on Alternative Performance Measures 2015/1057
<b>The Asset Sale Put Option</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Asset Sale Put Option Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>bcm</b>	Billion cubic meter
<b>Bergesen</b>	Sig. Bergesen d.y. & Co
<b>Board of Directors or Board Members</b>	The members of the board of directors of the Issuer, or any one of them
<b>Bondholder or Bondholders</b>	Each bondholder, and collectively the bondholders of the BW Energy Limited 10% Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029
<b>Bond Issue</b>	The Senior Unsecured USD 100,000,000 Callable Bond Issue 2024/2029, with ISIN NO0013259663
<b>Bond Terms</b>	The bond terms entered into on 19 June 2024 between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders
<b>Bond Trustee</b>	Nordic Trustee AS, with business registration number 963 342 624 and registered address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway
<b>Bond Trustee Fee Agreement</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Bondholders' Meeting</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>BOP</b>	Blowout preventers
<b>Brazilian Petroleum Law</b>	The Federal Law No. 9,478/1997, enacted on August 6th, 1997
<b>BRL</b>	Brazilian real, the lawful currency of Brazil
<b>Business Day</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>BW Offshore</b>	BW Offshore Limited, or parties related to BW Offshore Limited
<b>Bye-Laws</b>	The bye-laws of the Issuer, last amended 26 May 2022, attached hereto as <a href="#">Appendix 1</a>
<b>Call Option</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Call Option Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Camarupim Fields</b>	The Camarupim and Camarupim Norte fields, located in the territorial waters of Espírito Santo Basin
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>Change of Control Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Company Information</b>	Any statements regarding the Group's competitive position based on the Issuer's own assessment and knowledge of the market in which it operates
<b>Consolidated Total Assets</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Compliance Certificate</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>CSD</b>	The Norwegian central securities depository, Euronext Securities Oslo (Nw.: <i>Verdipapirsentralen</i> )
<b>Decisive Influence</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Disposal</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Dussafu</b>	The Dussafu Marin Permit, located in the territorial waters of Gabon
<b>EBITDA</b>	EBITDA is defined as earnings before interest, tax, depreciation, amortization and impairment. EBITDA corresponds to operating profit/(loss) plus depreciation, amortization and impairment.
<b>ESG</b>	Environmental, social and governance

<b>ESMA</b>	The European Securities and Markets Authority
<b>ESPs</b>	Electrical Submersible Pumps
<b>Environment Code</b>	The main environmental laws in Gabon are (1) Law 02/2014 on protection of environment, also known as "Code de l'Environnement"
<b>EU</b>	The European Union
<b>EU Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, as implemented in Norwegian law
<b>EUR</b>	Euro, the lawful currency of the European Union
<b>Equity Clawback</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Equity Offering</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Exchange</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Existing Bank Debt</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Existing Bond Issue</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>E&amp;P</b>	Exploration and production
<b>Finance Documents</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Financial Report</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>First Call Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>FPSO</b>	Floating production, storage and offloading units
<b>GBP</b>	British Pound Sterling, the lawful currency of the United Kingdom
<b>CEMAC</b>	The Central Africa Economic and Monetary Commission
<b>CNPE</b>	O Conselho Nacional de Política Energética (National Energy Policy Council) (Brazil)
<b>DHG</b>	Directorate-General of Hydrocarbons
<b>Group</b>	The Issuer and its consolidated subsidiaries
<b>Group Company</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>GOC</b>	Gabon Oil Company
<b>Golfinho Cluster</b>	The Golfinho Cluster, located in the territorial waters of Espírito Santo Basin
<b>GSA</b>	Gas Sales Agreement
<b>GTP</b>	Gas-To-Power
<b>Harvest</b>	Harvest Dussafu BV
<b>HSSE</b>	Health, safety, security and environment
<b>IAS 34</b>	International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU
<b>IBAMA</b>	The ANP, Federal Environmental Protection Agency
<b>IFRS Accounting Standards</b>	IFRS® Accounting Standards and in accordance with interpretations determined by the International Accounting Standards Board (IASB) as adopted by the EU
<b>IMF</b>	The International Monetary Fund
<b>Income Tax Act</b>	The Income Tax Act No. 24 of 1981
<b>Intercreditor Agreement</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Interest Payment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Interest Period</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Interest Rate</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Interim Financial Statements</b>	Unaudited interim financial statements for the Issuer as of and for the six months' period ended 30 June 2024, with comparable figures for the six months' period ended 30 June 2023. The Interim Financial Statements are presented in USD.
<b>Initial Bond Issue</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>IPO</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Issue Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2

<b>Issuer or BW Energy</b>	BW Energy Limited, an exempted company limited by shares incorporated under the laws of Bermuda, having its official seat in Hamilton, Bermuda, with registration number 54653 and LEI-code 5493004D19CJBN3DLD40.
<b>Issuer Financial Information</b>	The Annual Financial Statements and the Interim Financial Statements
<b>KPMG</b>	KPMG AS
<b>Kudu</b>	The Kudu block PL-003, located in the territorial waters of Namibia
<b>LEI</b>	Legal Entity Identifier
<b>Listing</b>	The listing of the Bonds on the Oslo Stock Exchange
<b>Make Whole Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Management</b>	The members of the Issuer's senior management team
<b>Managers</b>	DNB Markets, a part of DNB Bank ASA, Pareto Securities AS, Fearnleys Securities AS and SpareBank 1 Markets AS
<b>Maromba</b>	The Maromba BC-20A Concession Block, located in the territorial waters of Brazil
<b>Material Asset Sale</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Material Subsidiary</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Maturity Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Maximum Issue Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Magma</b>	Magma Oil & Gas Ltda.
<b>MIFID II</b>	EU Directive 2014/65 on markets in financial instruments, as amended
<b>MIFIR</b>	EU Directive 600/2014 on markets in financial instruments
<b>MME</b>	The Brazilian Ministry of Mines and Energy
<b>Namibian Petroleum Act</b>	The Petroleum (Exploration and Production) Act, 2 of 1991 (as amended by the Petroleum Laws Amendment Act, 1998)
<b>Net Proceeds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>NOK</b>	Norwegian kroner, the lawful currency of Norway
<b>Nominal Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Norwegian FSA</b>	The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i> )
<b>Norwegian Securities Trading Act</b>	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: <i>verdpapirhandelloven</i> )
<b>NR</b>	The Brazilian Law No. 13,586/2017, Decree No. 6,759/2009 and Normative Ruling
<b>NRST</b>	Non-resident shareholders' tax
<b>Obligor</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Oslo Stock Exchange</b>	Euronext Oslo Børs, a Norwegian regulated market being part of Euronext and operated by Oslo Børs ASA
<b>OPEC</b>	Organization of the Petroleum Exporting Countries
<b>Original Guarantors</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Outstanding Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Panoro</b>	Panoro Energy ASA
<b>Paying Agent</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Parent Entity</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Pre-Salt Law</b>	Brazilian Law No. 12,351/2010
<b>PL003</b>	Production Licence 003 in relation to the Kudu field
<b>PPSA</b>	The Brasileira de Administração de Petróleo e Gas Natural S.A. – Pré-Sal Petróleo S.A
<b>Prospectus</b>	This prospectus dated 31 October 2024
<b>PSC</b>	Production Sharing Contract
<b>PTA</b>	Petroleum (Taxation) Act, 3 of 1991 (Namibia)
<b>Put Option</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Put Option Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2

<b>Put Option Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Reorganisation</b>	The process of establishment of BW Energy as a separate business
<b>Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Ruche EEA</b>	Ruche Autorisation Exclusive d'Exploitation
<b>PRMA</b>	The 2018 Petroleum Resources Management System as approved by the Society of Petroleum Engineers
<b>R&amp;D</b>	Research and development
<b>Share De-Listing Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Subsidiary</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Tap Issues</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Tax Event Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Temporary Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Total Assets</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Transaction Security</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Transaction Security Document</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Tullow Oil</b>	Tullow Oil plc
<b>U.S. Securities Act</b>	The U.S. Securities Act of 1933, as amended
<b>U.S., USA or the United States</b>	The United States of America
<b>USD</b>	United States Dollars, the lawful currency of the United States of America
<b>Voting Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>WHT</b>	Withholding tax
<b>World-Wide Shipping</b>	World-Wide Shipping Steamship Company Limited
<b>XAF</b>	Central African CFA franc, the lawful currency of Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea and Gabon
<b>1983 Hydrocarbons Law</b>	Law No. 14/82 of 24 January 1983 relating to the Exploration and Exploitation of Hydrocarbons in Gabon
<b>2014 Hydrocarbons Law</b>	Law No. 011/2017 of 28 August 2014 relating to the Hydrocarbons Sector in Gabon



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**APPENDIX 1 – BYE-LAWS OF BW ENERGY LIMITED**

**BYE-LAWS**

**of**

**BW Energy Limited**

(as approved by the members of the Company on 26 May 2022)



## TABLE OF CONTENTS

### Interpretation

1. Definitions

### Shares

2. Power to Issue Shares
3. Power of the Company to Purchase its Shares
4. Rights Attaching to Shares
5. Calls on Shares
6. Forfeiture of Shares
7. Share Certificates
8. Fractional Shares

### Registration of Shares

9. Register of Members
10. Disclosure of Interests in Company Securities
11. Company Investigations and Consequences
12. Registered Holder Absolute Owner
13. Transfer of Registered Shares
14. Transmission of Registered Shares

### Alteration of Share Capital

15. Power to Alter Capital
16. Variation of Rights Attaching to Shares

### Dividends and Capitalisation

17. Dividends
18. Power to Set Aside Profits
19. Method of Payment
20. Capitalisation

### Meetings of Members

21. Annual General Meetings
22. Special General Meetings
23. Requisitioned General Meetings
24. Notice
25. Giving Notice
26. Postponement or Cancellation of General Meeting
27. Attendance and Security at General Meetings

28. Quorum at General Meetings
29. Chairman to Preside
30. Voting on Resolutions
31. Power to Demand Vote on Poll
32. Voting by Joint Holders of Shares
33. Instrument of Proxy
34. Representation of Corporate Member
35. Adjournment of General Meeting
36. Written Resolutions
37. Directors' Attendance at General Meetings

### Directors and Officers

38. Election of Directors
39. Term of Office of Directors
40. Alternate Directors
41. Removal of Directors
42. Vacancy in the Office of Director
43. Remuneration of Directors
44. Defect in Appointment of Director
45. Directors to Manage Business
46. Powers of the Board of Directors
47. Register of Directors and Officers
48. [Reserved]
49. Appointment of Officers
50. Duties of Officers
51. Remuneration of Officers
52. Conflicts of Interest
53. Indemnification and Exculpation of Directors and Officers

### Meetings of the Board of Directors

54. Board Meetings
55. Notice of Board Meetings
56. Participation in Meetings by Telephone
57. Quorum at Board Meetings
58. Board to Continue in Event of Vacancy

59. Chairman to Preside
60. Written Resolutions
61. Validity of Prior Acts of the Board

### Corporate Records

62. Minutes
63. Place Where Corporate Records Kept
64. Form and Use of Seal

### Accounts

65. Books of Account
66. Financial Year End

### Audits

67. Annual Audit
68. Appointment of Auditors
69. Remuneration of Auditors
70. Duties of Auditors
71. Access to Records
72. Financial Statements
73. Vacancy in the Office of Auditor

### Voluntary Winding-Up and Dissolution

74. Winding-Up

### Changes to Constitution

75. Changes to Bye-laws
76. Change of Name
77. Changes to the Memorandum of Association
78. Discontinuance

## INTERPRETATION

### 1. Definitions

**1.1** In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981 as amended from time to time;
Alternate Director	an alternate director appointed in accordance with these Bye-laws;
Approved Depository	has the meaning attributed to it in Bye-law 11;
Approved Nominee	has the meaning attributed to it in Bye-law 11;
Auditor	includes an individual or partnership;
Board	the board of directors appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum;
Chairman	the person appointed as Chairman of the Company in accordance with these Bye-laws;
Common Shares	has the meaning attributed to it in Bye-law 4;

Company	the company for which these Bye-laws are approved and confirmed;
Company Securities	(i) any shares (of any class) including Common Shares, preference shares or other equity securities of the Company and (ii) any options, warrants, convertible notes, securities of any type or similar rights issued that are or may become convertible into or exercisable or exchangeable for, or that carry rights to subscribe for, any shares (of any class), including Common Shares, preference shares or other equity securities of the Company;
Default Securities	has the meaning attributed to it in Bye-law 11;
Direction Notice	has the meaning attributed to it in Bye-law 11;
Director	a director of the Company and shall include an Alternate Director;
Disclosure Notice	has the meaning attributed to it in Bye-law 11;
Interested Party	has the meaning attributed to it in Bye-law 11;
Member	the person registered in the Register of Members as the holder of shares in the

	Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
notice	written notice as further provided in these Bye-laws unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Register of Directors and Officers	the register of directors and officers referred to in these Bye-laws;
Register of Members	the register of members referred to in these Bye-laws;
Registrar	DNB Bank ASA, acting through its Registrar's Department (known as "DNB Verdipapirservice");
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person

	appointed by the Board to perform any of the duties of the Secretary;
Treasury Shares	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled;
Vice Chairman	the person appointed as Vice Chairman in accordance with these Bye-laws; and
VPS	the Norwegian Central Securities Depository maintained by Verdipapirsentralen ASA.

**1.2** In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:
  - (i) "may" shall be construed as permissive; and
  - (ii) "shall" shall be construed as imperative; and

- (e) the word "corporation" means a corporation whether or not a company within the meaning of the Act;
- (f) the phrase "issued and outstanding" in relation to shares, means shares in issue other than Treasury Shares;
- (g) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof; and
- (h) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

**1.3** In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

**1.4** Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

## **SHARES**

### **2. Power to Issue Shares**

**2.1** Subject to these Bye-laws, and Bye-law 2.2 in particular with regard to the issuance of any preference shares, and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine.

**2.2** Without limitation to the provisions of Bye-law 4, subject to the provisions of the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder)

are liable to be redeemed on such terms and in such manner as may be determined by the Board before the issue or conversion, PROVIDED THAT prior approval for the issuance of such shares is given by resolution of the Members in general meeting.

### **3. Power of the Company to Purchase its Shares**

- 3.1** The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the provisions of the Act on such terms as the Board shall think fit.
- 3.2** The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

### **4. Rights Attaching to Shares**

- 4.1** At the date these Bye-laws are adopted, the share capital of the Company shall consist of 300,000,000 common shares of par value US\$0.01 each (the "Common Shares").
- 4.2** The holders of Common Shares shall, subject to the provisions of these Bye-laws (including, without limitation, the rights attaching to any preference shares that may be authorised for issue in the future by the Board pursuant to Bye-law 4.3):
  - (a) be entitled to one vote per share;
  - (b) be entitled to such dividends as the Board may from time to time declare;
  - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and

(d) generally be entitled to enjoy all of the rights attaching to shares.

**4.3** Subject to obtaining prior approval for the issuance of such shares by resolution of the Members in general meeting pursuant to Bye-law 2.2, the Board is authorised to provide for the issuance of one or more classes of preference shares in one or more series, and to establish from time to time the number of shares to be included in each such series, and to fix the terms, including designation, powers, preferences, rights, qualifications, limitations and restrictions of the shares of each such series (and, for the avoidance of doubt, such matters and the issuance of such preference shares shall not be deemed to vary the rights attached to the Common Shares or, subject to the terms of any other series of preference shares, to vary the rights attached to any other series of preference shares). The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

- (a) the number of shares constituting that series and the distinctive designation of that series;
- (b) the dividend rate on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of the payment of dividends on shares of that series;
- (c) whether that series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;
- (d) whether that series shall have conversion or exchange privileges (including, without limitation, conversion into Common Shares), and, if so, the terms and conditions of such conversion or exchange, including provision for adjustment of the conversion or exchange rate in such events as the Board shall determine;



- (e) whether or not the shares of that series shall be redeemable or repurchaseable, and, if so, the terms and conditions of such redemption or repurchase, including the manner of selecting shares for redemption or repurchase if less than all shares are to be redeemed or repurchased, the date or dates upon or after which they shall be redeemable or repurchaseable, and the amount per share payable in case of redemption or repurchase, which amount may vary under different conditions and at different redemption or repurchase dates;
- (f) whether that series shall have a sinking fund for the redemption or repurchase of shares of that series and, if so, the terms and amount of such sinking fund;
- (g) the right of the shares of that series to the benefit of conditions and restrictions upon the creation of indebtedness of the Company or any subsidiary, upon the issue of any additional shares (including additional shares of such series or any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Company or any subsidiary of any issued shares of the Company;
- (h) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, and the relative rights of priority, if any, of payment in respect of shares of that series; and
- (i) any other relative participating, optional or other special rights, qualifications, limitations or restrictions of that series.

**4.4** Any preference shares of any series which have been redeemed (whether through the operation of a sinking fund or otherwise) or which, if convertible or exchangeable, have been converted into or exchanged for

shares of any other class or classes shall have the status of authorised and unissued preference shares of the same series and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of preference shares to be created by resolution or resolutions of the Board or as part of any other series of preference shares, all subject to the conditions and the restrictions on issuance set forth in the resolution or resolutions adopted by the Board providing for the issue of any series of preference shares.

**4.5** At the discretion of the Board, whether or not in connection with the issuance and sale of any shares or other securities of the Company, the Company may issue securities, contracts, warrants or other instruments evidencing any shares, option rights, securities having conversion or option rights, or obligations on such terms, conditions and other provisions as are fixed by the Board, including, without limiting the generality of this authority, conditions that preclude or limit any person or persons owning or offering to acquire a specified number or percentage of the issued Common Shares, other shares, option rights, securities having conversion or option rights, or obligations of the Company or transferee of the person or persons from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights, or obligations.

**4.6** All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act and any other applicable laws and regulation, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

## **5. Calls on Shares**

- 5.1** The Board may make such calls as it thinks fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members (and not made payable at fixed times by the terms and conditions of issue) and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2** Any amount which by the terms of allotment of a share becomes payable upon issue or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Bye-laws be deemed to be an amount on which a call has been duly made and payable, on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, costs and expenses, forfeiture or otherwise shall apply as if amount had become payable by virtue of a call duly made and notified.
- 5.3** The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.4** The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

## **6. Forfeiture of Shares**

- 6.1** If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board

may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call  
BW Energy Limited (the "Company")

You have failed to pay the call of [amount of call] made on the [ ] day of [ ], 20[ ], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on the [ ] day of [ ], 20[ ], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [ ] per annum computed from the said [ ] day of [ ], 20[ ] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [ ] day of [ ], 20[ ]

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[Signature of Secretary] By Order of the Board

- 6.2** If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.
- 6.3** A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture together with and all interest due thereon and any costs and expenses incurred by the Company in connection therewith.

- 6.4** The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

## **7. Share Certificates**

- 7.1** Subject to the Act, no share certificates shall be issued by the Company unless, in respect of a class of shares, the Board has either for all or for some holders of such shares (who may be determined in such manner as the Board thinks fit) determined that the holder of such shares may be entitled to share certificates. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 7.2** Subject to being entitled to a share certificate under the provisions of Bye-law 7.1, the Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 7.3** If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 7.4** Notwithstanding any provisions of these Bye-laws:
- (a) the Board shall, subject always to the Act and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, have power to implement any arrangements it may, in its absolute discretion, think fit in relation to the evidencing of title to and transfer of uncertificated shares by means of the VPS system or any other relevant system, and to the

extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of shares in uncertificated form; and

- (b) unless otherwise determined by the Board and as permitted by the Act and any other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument.

## **8. Fractional Shares**

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

# **REGISTRATION OF SHARES**

## **9. Register of Members**

- 9.1** The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act. Subject to the provisions of the Act, the Company may keep one or more branch registers in any place in or outside of Bermuda, and the Board may make, amend and revoke any such regulations as it may think fit respecting the keeping of such branch registers. The Company's shares

may be registered with the VPS, and if necessary may be registered in the Register of Members in the name of the Registrar, which may or may not be a branch register for the purposes of the Act. The Board may authorise any share on the Register of Members to be included in a branch register or any share registered on a branch register to be registered on another branch register, provided that at all times the Register of Members is maintained in accordance with the Act.

- 9.2** The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

## **10. Disclosure of Interests in Company Securities**

- 10.1** Members shall make such notifications to the Company regarding their interests in Company Securities as they are required to make under all applicable rules and regulations to which the Company is subject.
- 10.2** The provisions of Bye-law 10.1 are in addition to, and separate from, any other rights or obligations arising under the Act, these Bye-laws or otherwise.

## **11. Company Investigations and Consequences**

- 11.1** The Board has power to serve a notice to require any Member or any other person it has reasonable cause to believe, as determined in the Board's sole discretion, to be interested in Company Securities (an "Interested Party"), to disclose to the Company the nature of such interest

and any documents to verify the identity of the Interested Party that the Board deems necessary.

**11.2** If at any time the Board is satisfied that any Member or Interested Party has been duly served with a notice pursuant to Bye-law 11.1 (a "Disclosure Notice") and is in default for the prescribed period set out in Bye-law 11.6 in supplying to the Company the information thereby required, or, in purported compliance with a Disclosure Notice, has made a statement which is false or inadequate in any material particular as determined by the Board in its sole discretion, then the Board may, in its absolute discretion at any time thereafter serve a further notice (a "Direction Notice") on the Member who was served with the relevant Disclosure Notice or on the Member who holds the Company Securities in which the Interested Party who was served with the relevant Disclosure Notice appears to be interested to direct that:

- (a) in respect of the Company Securities in relation to which the default occurred (the "Default Securities", which expression includes any Company Securities issued after the date of the Disclosure Notice in respect of those Company Securities) the Member shall not be entitled to attend or vote either personally or by proxy at a general meeting or at a separate meeting of the holders of that class of shares or on a poll; and
- (b) where the Default Securities represent at least 0.25 per cent (in nominal value) of the issued shares of their class, the Direction Notice may additionally direct that in respect of the Default Securities:
  - (i) where an offer of the right to elect to receive Company Securities instead of cash in respect of any dividend or part thereof is or has been made by the Company, any election



made thereunder by such Member in respect of such Default Securities shall not be effective; and/or

- (ii) any dividend (or any part of a dividend) or other amount payable in respect of the Default Securities shall be withheld by the Company, which shall have no obligation to pay interest on it, and such dividend or part thereof shall only be payable when the Direction Notice ceases to have effect to the person who would but for the Direction Notice have been entitled to it; and/or
- (iii) no transfer of any of the Company Securities held by any such Member shall be recognised or registered by the Board unless: (1) the transfer is an excepted transfer (as defined in Bye-law 11.6; or (2) the Member is not himself in default as regards supplying the requisite information required under this Bye-law and, when presented for registration, the transfer is accompanied by a certificate by the Member in a form satisfactory to the Board to the effect that after due and careful enquiry the Member is satisfied that none of the Company Securities, which are the subject of the transfer, are Default Securities.

**11.3** The Company shall send the Direction Notice to each person appearing to be interested in the Default Securities, but the failure or omission by the Company to do so shall not invalidate such notice.

**11.4** Any Direction Notice shall cease to have effect not more than seven days after the earlier of receipt by the Company of:

- (a) notice that the Default Securities are subject to an excepted transfer (as defined in Bye-law 11.6, but only in relation to those Default Securities which are subject to such excepted transfer and

not to any other Company Securities covered by the same Direction Notice; or

- (b) all the information required by the relevant Disclosure Notice, in a form satisfactory to the Board.

**11.5** The Board may at any time send a notice cancelling a Direction Notice if it determines in its sole discretion that it is appropriate to do so.

**11.6** For the purposes of Bye-laws 10 and 11:

- (a) the "prescribed period" is 14 days from the date the Disclosure Notice is deemed served;
- (b) a reference to a person being "interested" or having an "interest" in Company Securities includes an interest of any kind whatsoever in the Company Securities;
- (c) a transfer of Company Securities is an "excepted transfer" if:
  - (i) it is a transfer of Company Securities pursuant to an acceptance of an offer to acquire all the shares, or all the shares of any class or classes, in the Company (other than Company Securities, which at the date of the offer are already held by the offeror), being an offer on terms, which are the same in relation to all the Company Securities to which the offer relates or, where those Company Securities include Company Securities of different classes, in relation to all the Company Securities of each class; or
  - (ii) a transfer, which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the Company Securities to a person who is not connected with the Member who has been served

with the Disclosure Notice and with any other person appearing to be interested in the Default Securities; or

- (iii) a transfer in consequence of a bona fide sale made on the Oslo Børs.

**11.7** Where a person who appears to be interested in Company Securities has been served with a notice pursuant to Bye-law 11.1, and the Company Securities in which he appears to be interested are held by a depositary or a nominee approved as such by the Board (an "Approved Depositary" and an "Approved Nominee" respectively), the provisions of Bye-law 11.1 will be treated as applying only to the Company Securities which are held by the Approved Depositary or Approved Nominee in which that person appears to be interested and not (so far as that person's apparent interest is concerned) to any other Company Securities held by the Approved Depositary or Approved Nominee.

**11.8** While the Member on which a notice pursuant to Bye-law 11.1 is served is an Approved Depositary or Approved Nominee, the obligations of the Approved Depositary or Approved Nominee as a Member will be limited to disclosing to the Company any information relating to a person who appears to be interested in the Company Securities held by it, which has been recorded by it in accordance with the arrangement under which it was appointed as an Approved Depositary or Approved Nominee by the Board.

## **12. Registered Holder Absolute Owner**

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

### **13. Transfer of Registered Shares**

- 13.1** Subject to the Act and to such of the restrictions contained in these Bye-laws as may be applicable, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share. All transfers of uncertificated shares shall be made in accordance with and be subject to the facilities and requirements of the transfer of title to shares in that class by means of the VPS system or any other relevant system concerned and, subject thereto, in accordance with any arrangements made by the Board pursuant to Bye-law 7.
- 13.2** The instrument of transfer shall be signed by or on behalf of the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.
- 13.3** The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to prove the right of the transferor to make the transfer.
- 13.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 13.5** The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share which is not fully paid or in accordance with Bye-law 11.2. The Board shall refuse to register a

transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

- 13.6** Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.
- 13.7** The Board may refuse to register the transfer of any share, and may direct the Registrar to decline (and the Registrar, to the extent it is able to do so, shall decline if so requested) to register the transfer of any interest in a share held through the VPS, where such transfer is not in accordance with Bye-law 11.2 or where such transfer would, in the opinion of the Board, be likely to result in 50% or more of the aggregate issued and outstanding share capital of the Company, or 50% or more of the votes attached to all issued and outstanding shares of the Company, being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or, alternatively, such shares being effectively connected to a Norwegian business activity, or the Company otherwise being deemed a Controlled Foreign Company as such term is defined pursuant to Norwegian tax legislation.
- 13.8** Subject to Bye-law 13.7, but notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.

#### **14. Transmission of Registered Shares**

- 14.1** In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member

was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

- 14.2** Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member  
of BW Energy Limited (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [ ] day of [ ], 20[ ]

Signed by:

\_\_\_\_\_

Transferor

\_\_\_\_\_

Transferee

\_\_\_\_\_

\_\_\_\_\_

- 14.3** On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 14.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

## **ALTERATION OF SHARE CAPITAL**

### **15. Power to Alter Capital**

- 15.1** Subject to any Member approval that may be required in accordance with the Act, the Company may if authorised by resolution of the Board increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 15.2** Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

### **16. Variation of Rights Attaching to Shares**

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

## **DIVIDENDS AND CAPITALISATION**

### **17. Dividends**

- 17.1** The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 17.2** The Board may fix any date as the record date for determining the Members entitled to receive any dividend.
- 17.3** The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 17.4** The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the



Company. No unpaid distribution shall bear interest as against the Company.

## **18. Power to Set Aside Profits**

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

## **19. Method of Payment**

- 19.1** Any dividend, interest, or other moneys payable in cash in respect of the shares may be paid (i) through the VPS system or any other relevant system, (ii) by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct, or (iii) by such other method as the Board may determine from time to time.
- 19.2** In the case of joint holders of shares, any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 19.3** The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls or otherwise.
- 19.4** Any dividend and/or other monies payable in respect of a share which has remained unclaimed for 6 years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain

owing by the Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.

- 19.5** The Company shall be entitled to cease sending dividend cheques and warrants by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law 19.5 in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or warrant.

## **20. Capitalisation**

- 20.1** The Board may resolve to capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro-rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.
- 20.2** The Board may resolve to capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

## **MEETINGS OF MEMBERS**

## **21. Annual General Meetings**

Notwithstanding the provisions of the Act entitling the Members of the Company to elect to dispense with the holding of an annual general meeting, an annual general meeting shall be held in each year (other than the year of incorporation) at such time and place as the president of the Company (if any) or the Chairman or the Board shall appoint.

## **22. Special General Meetings**

The president of the Company (if any) or the Chairman or the Board may convene a special general meeting of the Company whenever in their judgment such a meeting is necessary.

## **23. Requisitioned General Meetings**

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings of the Company, forthwith proceed to convene a special general meeting of the Company and the provisions of the Act shall apply.

## **24. Notice**

**24.1** At least 14 clear days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.

**24.2** At least 14 clear days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.

- 24.3** The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting, provided that the date for determining Members entitled to vote at any general meeting may not be more than 5 days before the date fixed for the meeting.
- 24.4** A general meeting of the Company shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.
- 24.5** The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **25. Giving Notice**

- 25.1** A notice may be given by the Company to a Member:
- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
  - (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served five days after the date on which it is deposited, with postage prepaid, in the mail; or
  - (c) by sending it by courier to such Member's address in the Register of members, in which case the notice shall be deemed to have

been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or

- (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
- (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

**25.2** Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

**25.3** In proving service under Bye-laws 25.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

## **26. Postponement or Cancellation of General Meeting**

The Chairman or the president (if any) may, and the Secretary on instruction from the Chairman or the president (if any) shall, postpone or cancel any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement or cancellation is given to the Members before the time for such meeting. Fresh

notice of the date, time and place for the postponed or cancelled meeting shall be given to each Member in accordance with these Bye-laws.

## **27. Attendance and Security at General Meetings**

**27.1** Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

**27.2** The Board may, and at any general meeting, the chairman of such meeting may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such meeting are entitled to refuse entry to a person who refuses to comply with any such arrangements, requirements or restrictions.

## **28. Quorum at General Meetings**

**28.1** At any general meeting of the Company two or more persons present in person throughout the meeting and representing in person or by proxy in excess of 25% of the total issued voting shares in the Company shall form a quorum for the transaction of business.

**28.2** If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may

determine. If the meeting shall be adjourned to the same day one week later or the Secretary shall determine that the meeting is adjourned to a specific date, time and place, it is not necessary to give notice of the adjourned meeting other than by announcement at the meeting being adjourned. If the Secretary shall determine that the meeting be adjourned to an unspecified date, time or place, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws.

## **29. Chairman to Preside**

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman or the president of the Company, if there be one, shall act as chairman at all meetings of the Members at which such person is present. Notwithstanding the above, the Chairman or the president, as applicable, may appoint a person to act as a chairman of the meeting. In the absence of the Chairman or the president, or a person appointed to act as chairman, a chairman shall be appointed or elected by those present at the meeting and entitled to vote.

## **30. Voting on Resolutions**

**30.1** Subject to the provisions of the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the provisions of these Bye-laws and in the case of an equality of votes the resolution shall fail.

**30.2** No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.

**30.3** At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any

rights or restrictions for the time being lawfully attached to any class of shares and subject to the provisions of these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his or her hand.

**30.4** In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.

**30.5** At any general meeting if an amendment shall be proposed to any resolution under consideration and the chairman of the meeting shall rule on whether the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

**30.6** At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to the provisions of these Bye-laws, be conclusive evidence of that fact.

### **31. Power to Demand a Vote on a Poll**

**31.1** Notwithstanding the foregoing, a poll may be demanded by any of the following persons:

- (a) the chairman of such meeting; or
  - (b) at least three Members present in person or represented by proxy;
- or



- (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
- (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate amount has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.

**31.2** Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

**31.3** A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken in such manner and at such time and place at such meeting as the chairman (or acting chairman) of the meeting may direct and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

**31.4** Where a vote is taken by poll, each person present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialed or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and the votes cast in accordance with such directions shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose and the result of the poll shall be declared by the chairman of the meeting.

## **32. Voting by Joint Holders of Shares**

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

## **33. Instrument of Proxy**

**33.1** An instrument appointing a proxy shall be in writing in substantially the following form or such other form as the chairman of the meeting shall accept or such other form as the Board may determine from time to time:

Proxy

BW Energy Limited (the "Company")

I/We, [insert names here], being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on the [ ] day of [ ], 20[ ] and at any adjournment thereof. (Any restrictions on voting to be inserted here.)

Signed this [ ] day of [ ], 20[ ]

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Member(s)

- 33.2** The instrument appointing a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the instrument appointing a proxy proposes to vote, and an instrument appointing a proxy which is not received in the manner so prescribed shall be invalid.
- 33.3** A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.
- 33.4** The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

#### **34. Representation of Corporate Member**

- 34.1** A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 34.2** Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

## **35. Adjournment of General Meeting**

**35.1** The chairman of any general meeting at which a quorum is present may with the consent of Members holding a majority of the voting rights of those Members present in person or by proxy (and shall if so directed by Members holding a majority of the voting rights of those Members present in person or by proxy), adjourn the meeting.

**35.2** In addition, the chairman may adjourn the meeting to another time and place without such consent or direction if it appears to him that:

- (a) it is likely to be impracticable to hold or continue that meeting because of the number of Members wishing to attend who are not present; or
- (b) the unruly conduct of persons attending the meeting prevents, or is likely to prevent, the orderly continuation of the business of the meeting; or
- (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

**35.3** Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws.

## **36. Written Resolutions**

**36.1** Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done, without a meeting, by written resolution in accordance with these Bye-laws.

- 36.2** Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.
- 36.3** A resolution in writing is passed when it is signed by (or in the case of a Member that is a corporation on behalf of) all the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.
- 36.4** A resolution in writing may be signed in any number of counterparts.
- 36.5** A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 36.6** A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 36.7** This Bye-law shall not apply to:
- (a) a resolution passed to remove an auditor from office before the expiration of his term of office; or
  - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.
- 36.8** For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation on behalf of) the last Member whose signature results in the

necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

### **37. Directors Attendance at General Meetings**

The Directors of the Company shall be entitled to receive notice of, attend and be heard at any general meeting.

## **DIRECTORS AND OFFICERS**

### **38. Election of Directors**

**38.1** The Board shall consist of such number of Directors being not less than 2 Directors and not more than such maximum number of Directors, as the Members may from time to time determine. The Board shall be elected or appointed at the annual general meeting of the Members or at any special general meeting of the Members called for that purpose.

**38.2** Only persons who are proposed or nominated in accordance with this Bye-law shall be eligible for election as Directors. Any Member, the Board or the nomination committee (as defined below) may propose any person for election or re-election as a Director. Where any person, other than a Director retiring at the meeting or a person proposed for re-election or election as a Director by the Board or the nomination committee (as defined below), is to be proposed for election as a Director, notice must be given to the Company of the intention to propose him and of his willingness to serve as a Director. Where such person is to be proposed for election at an annual general meeting or a special general meeting, such notice must be given not less than 10 days before the date of such general meeting.

- 38.3** The Company in general meeting may appoint a nomination committee (the “nomination committee”), comprising such number of persons as the Members may determine in general meeting from time to time, and members of the nomination committee shall be appointed by resolution of the Members. Members, the Board and members of the nomination committee may suggest candidates for the election of Directors and members of the nomination committee to the nomination committee provided such suggestions are in accordance with any nomination committee guidelines or corporate governance rules adopted by the Company in general meeting from time to time. Members, the Board and the nomination committee may also propose any person for election as a Director in accordance with Bye-laws 38.2 or to be appointed by the Members to the nomination committee. The nomination committee may or may not recommend any candidates suggested or proposed by any Member, the Board or any member of the nomination committee in accordance with any nomination committee guidelines or corporate governance rules adopted by the Company in general meeting from time to time. The nomination committee may provide recommendations on the suitability of candidates for the Board and the nomination committee, as well as the remuneration of the Directors of the Board and members of the nomination committee. The Members at any general meeting may stipulate guidelines for the duties of the nomination committee.
- 38.4** Where the number of persons validly proposed for re-election or election as a Director is greater than the number of Directors to be elected, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such Directors.
- 38.5** At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

### **39. Term of Office of Directors**

At the general meeting at which these Bye-laws are adopted, the Directors shall be elected for a one year term of office.

### **40. Alternate Directors**

**40.1** At any general meeting of the Company, the Members may elect a person or persons to act as a Director in the alternative to any one or more Directors of the Company or may authorise the Board to appoint such Alternate Directors.

**40.2** Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice in writing deposited with the Secretary. Any person so elected or appointed shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present.

**40.3** An Alternate Director shall be entitled to receive notice of all meetings of the Board and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.

**40.4** An Alternate Director's office shall expire:

(a) in the case of an alternate elected by the Members:

(i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom



he or she was elected to act, would result in the termination of that Director; or

- (ii) if the Director for whom he or she was elected in the alternative ceases for any reason to be a Director, provided that the alternate removed in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and

(b) in the case of an alternate appointed by a Director:

- (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his or her appointor, would result in the termination of the appointor's directorship; or
- (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
- (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

## **41. Removal of Directors**

**41.1** Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.

**41.2** If a Director is removed from the Board under the provisions of this Bye-law the Members may fill the vacancy at the meeting at which such Director is removed.

## **42. Vacancy in the Office of Director**

**42.1** The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
- (c) is or becomes of unsound mind or dies; or
- (d) resigns his office by notice in writing to the Company.

**42.2** The Members in general meeting or the Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board and to appoint an Alternate Director to any Director so appointed.

## **43. Remuneration of Directors**

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally.

## **44. Defect in Appointment of Director**

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

#### **45. Directors to Manage Business**

**45.1** The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by statute or by these Bye-laws, required to be exercised by the Company in general meeting subject, nevertheless, to these Bye-laws and the provisions of any statute.

**45.2** Subject to these Bye-laws, the Board may delegate to any company, firm, person, or body of persons any power of the Board (including the power to sub-delegate).

#### **46. Powers of the Board of Directors**

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in, its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities

whether outright or as security for any debt, liability or obligation of the Company or any third party;

- (c) appoint one or more Directors to the office of managing director or appoint one or more Directors or other persons to the office of chief executive officer of the Company, who shall, in either event, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint any company, firm, person or body to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney. Such attorney may, if so authorised under the seal of the Company, execute any deed or instrument under such attorney's personal seal with the same effect as the affixation of the seal of the Company;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;

- (g) delegate any of its powers (including the power to sub-delegate) to a committee appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law;
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company; and
- (l) take all necessary or desirable actions within its control to ensure that the Company is not deemed resident in Norway or deemed to be a Controlled Foreign Company as such term is defined pursuant to Norwegian tax legislation.

**47. Register of Directors and Officers**

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

**48. [Reserved]**

**49. Appointment of Officers**

The Board may appoint a president and vice president or a Chairman and Vice Chairman of the Company who shall be Directors. The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

**50. Duties of Officers**

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

**51. Remuneration of Officers**

The Officers shall receive such remuneration as the Board may determine.

**52. Conflicts of Interest**

**52.1** Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to remuneration as if such Director were not a Director. Nothing herein contained shall authorise a Director or Director's firm, partner or company to act as Auditor to the Company.

- 52.2** A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by the Act.
- 52.3** Following a declaration being made pursuant to this Bye-law, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum for such meeting.
- 52.4** Notwithstanding Bye-law 52.3 and save as provided herein, a Director shall not vote, be counted in the quorum or act as chairman at a meeting in respect of (A) his appointment to hold any office or place of profit with the Company or any body corporate or other entity in which the Company owns an equity interest or (B) the approval of the terms of any such appointment or of any contract or arrangement in which he is materially interested (otherwise than by virtue of his interest in shares, debentures or other securities of the Company), provided that, a Director shall be entitled to vote (and be counted in the quorum and act as chairman) in respect of any resolution concerning any of the following matters, namely:
- (a) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him for the benefit of the Company; or
  - (b) any proposal concerning any other body corporate in which he is interested directly or indirectly, whether as an officer, Member, creditor or otherwise, provided that he is not the holder of or beneficially interested (other than as a bare custodian or trustee in respect of shares in which he has no beneficial interest) in more than 1% of any class of the issued share capital of such body corporate (or of any third body corporate through which his interest

is derived) or of the voting rights attached to all of the issued shares of the relevant body corporate (any such interest being deemed for the purpose of this Bye-law to be a material interest in all circumstances); and

in the case of an Alternate Director, an interest of a Director for whom he is acting as alternate shall be treated as an interest of such Alternate Director in addition to any interest which the Alternate Director may otherwise have.

- 52.5** If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote, and such question is not resolved by such Director voluntarily agreeing to abstain from voting and not be counted in the quorum of such meeting, such question shall be referred to the chairman of the meeting (except in the event the Director is also the chairman of the meeting, in which case the question shall be referred to the other Directors present at the meeting) and his (or their, as the case may be) ruling in relation to such Director shall be final and conclusive, except in a case where the nature or extent of the interest of the Director concerned has not been fully disclosed.

### **53. Indemnification and Exculpation of Directors and Officers**

- 53.1** The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company, any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party"), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses



which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any liability arising from prospectus responsibility statements signed by any Director or Officer or to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.

- 53.2** The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him under the Act in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director

or Officer may be guilty in relation to the Company or any subsidiary thereof.

- 53.3** The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

## **MEETINGS OF THE BOARD OF DIRECTORS**

### **54. Board Meetings**

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. Subject to the provisions of these Bye-laws, a resolution put to the vote at a meeting of the Board shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

### **55. Notice of Board Meetings**

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

### **56. Participation in Meetings by Telephone**

Directors may participate in any meeting of the Board by means of such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other

simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

**57. Quorum at Board Meetings**

The quorum necessary for the transaction of business at a meeting of the Board shall be in excess of 50% of the Directors then in office.

**58. Board to Continue in the Event of Vacancy**

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at meetings of the Board, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting of the Company; or (ii) preserving the assets of the Company.

**59. Chairman to Preside**

Unless otherwise agreed by a majority of the Directors attending and entitled to vote thereat, the Chairman or the president, if there be one, shall act as chairman at all meetings of the Board at which such person is present. In their absence the Vice Chairman or vice president, if present, shall act as chairman and in the absence of all of them a chairman of the meeting shall be appointed or elected by the Directors present at the meeting.

**60. Written Resolutions**

A resolution signed by (or in the case of a Director that is a corporation, on behalf of) all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by (or in the case of a

Director that is a corporation, on behalf of) the last Director. For the purposes of this Bye-law, an Alternate Director can sign written resolutions.

**61. Validity of Prior Acts of the Board**

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

**CORPORATE RECORDS**

**62. Minutes**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each meeting of the Board and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, meetings of the Board, and meetings of committees appointed by the Board.

**63. Place Where Corporate Records Are Kept**

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

**64. Form and Use of Seal**

**64.1** The seal of the Company shall be in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.

**64.2** The seal of the Company shall not be affixed to any instrument except attested by the signature of a Director and the Secretary or any two Directors, or any person appointed by the Board for that purpose, provided that any Director, Officer or Resident Representative, may affix the seal of the Company attested by such Director, Officer or Resident Representative's signature to any authenticated copies of these Bye-laws, the incorporating documents of the Company, the minutes of any meetings or any other documents required to be authenticated by such Director, Officer or Resident Representative.

## **ACCOUNTS**

### **65. Books of Account**

**65.1** The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

- (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

**65.2** Such records of account shall be kept at the registered office of the Company, or subject to the provisions of the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.

### **66. Financial Year End**

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31<sup>st</sup> December in each year.

## **AUDITS**

## **67. Annual Audit**

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

## **68. Appointment of Auditors**

**68.1** Subject to the provisions of the Act, the Members shall appoint an auditor of the Company to hold office for such term as the Members deem fit or until a successor is appointed.

**68.2** The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

## **69. Remuneration of Auditors**

The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.

## **70. Duties of Auditors**

**70.1** The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

**70.2** The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

## **71. Access to Records**

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers of the Company for any information in their possession relating to the books or affairs of the Company.

## **72. Financial Statements**

**72.1** Subject to the following Bye-law, financial statements and/or the auditor's report as required by the Act shall:

- (a) be laid before the Members at the annual general meeting; or
- (b) be received, accepted, adopted, approved or otherwise acknowledged by the Members by written resolution passed in accordance with these Bye-laws.

**72.2** If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

## **73. Vacancy in the Office of Auditor**

If the office of Auditor becomes vacant by the resignation or death of the Auditor, or by the Auditor becoming incapable of acting by reason of illness or other disability at a time when the Auditor's services are required, the vacancy thereby created shall be filled in accordance with the Act.

## **VOLUNTARY WINDING-UP AND DISSOLUTION**

## **74. Winding-Up**

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the

whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

## **CHANGES TO CONSTITUTION**

### **75. Changes to Bye-laws**

**75.1** Subject to Bye-law 75.2, no Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Board and by a resolution of the Members including the affirmative vote of not less than two-thirds of the votes cast in a general meeting.

**75.2** Where the Board has, by a resolution passed by a majority of the Directors then in office and eligible to vote on that resolution, approved a revocation, alteration or amendment of Bye-law 76, the revocation, alteration or amendment will not be effective unless approved by a resolution of the Members holding not less than four-fifths of the issued shares of the Company carrying the right to vote at general meetings at the relevant time.

### **76. Change of Name**

At such time as BW Group Limited and its affiliates' direct and indirect shareholding in the Company fall to 30% or below of the entire issued and outstanding share capital of the Company, at the written request of BW Group



Limited, the Company shall, as soon as practicable following the date of such written request, convene a general meeting of the Company to change the name of the Company to remove reference to "BW" in the name of the Company and at such general meeting, in respect of any resolution on a proposed change of name of the Company only, the shares held by BW Group Limited and its affiliates shall be deemed to have the number of votes equalling a multiple of ten (10) times the entire number of shares represented at such meeting.

**77. Changes to the Memorandum of Association**

No alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members including the affirmative vote of not less than two-thirds of the votes cast at a general meeting.

**78. Discontinuance**

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.

## **APPENDIX 2 – THE BOND TERMS**

*Execution version*

**BOND TERMS**

**FOR**

**BW Energy Limited 10.00% senior unsecured USD 100,000,000 callable  
bonds 2024/2029**

**ISIN NO0013259663**

Contents

Clause	Page
1. INTERPRETATION .....	3
2. THE BONDS .....	12
3. THE BONDHOLDERS .....	13
4. ADMISSION TO LISTING .....	14
5. REGISTRATION OF THE BONDS .....	14
6. CONDITIONS FOR DISBURSEMENT.....	14
7. REPRESENTATIONS AND WARRANTIES .....	16
8. PAYMENTS IN RESPECT OF THE BONDS .....	18
9. INTEREST.....	20
10. REDEMPTION AND REPURCHASE OF BONDS .....	20
11. PURCHASE AND TRANSFER OF BONDS .....	22
12. INFORMATION UNDERTAKINGS .....	23
13. GENERAL AND FINANCIAL UNDERTAKINGS .....	24
14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS .....	26
15. BONDHOLDERS’ DECISIONS .....	29
16. THE BOND TRUSTEE.....	34
17. AMENDMENTS AND WAIVERS .....	38
18. MISCELLANEOUS .....	38
19. GOVERNING LAW AND JURISDICTION.....	40

ATTACHMENT 1 COMPLIANCE CERTIFICATE

<b>BOND TERMS between</b>	
<b>ISSUER:</b>	BW Energy Limited, an exempted company limited by shares incorporated under the laws of Bermuda with registration number 54653 and LEI-code 5493004D19CJBN3DLD40 and
<b>BOND TRUSTEE:</b>	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
<b>DATED:</b>	19 June 2024
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

“**Acceptable Bank**” means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non-credit enhanced debt obligations of BBB or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd or Baa2 or higher by Moody’s Investors Service Limited or a comparable rating from an internationally recognized credit rating agency;
- (b) a bank or financial institution that is a lender to the Group under any of its lending facilities; or
- (c) such other bank or financial institution reasonably acceptable to the Bond Trustee.

“**Accounting Standard**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

“**Bondholders' Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

“**Bonds**” means the debt instruments issued by the Issuer pursuant to these Bond Terms.

“**Book Equity**” means the Issuer's (on a consolidated basis) book equity, as classified in accordance with the Accounting Standard, plus the amount of any Subordinated Loans.

“**Brazilian Concessions**” means:

- (a) Concession Agreement No. 48000.003535/1997 pertaining to the BES-100, which entails the Camarupim Field;
- (b) Concession Agreement No. 48000.003535/97 pertaining to the BES-100, which entails the Golfinho Field and Canapu Field;
- (c) Concession Agreement No. 48000.003556/97-71A (BC-20A) pertaining to the Maromba Field;
- (d) Concession Agreement No. 48610.007979/2004 pertaining to the BM-ES-23 (Brigadeiro Block); and
- (e) Concession Agreement No. 48610.010724/2001 pertaining to the BM-ES-5, which entails Camarupim Norte Field.

**“Business Day”** means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

**“Business Day Convention”** means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

**“Call Option”** has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

**“Call Option Repayment Date”** means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

**“Cancellation Event”** means the Dussafu PSC in Gabon, the Brazilian Concessions in Brazil or another oil and gas licence, production sharing contract, concession or similar with proven reserves and/or production in which a Group Company has an ownership interest is finally revoked, cancelled or terminated for any reason with no opportunity for appeal and such revocation, cancellation or termination has a Material Adverse Effect, unless such revocation, cancellation or termination is capable of being remedied and is remedied within 90 days after the earlier of the Issuer's actual knowledge thereof, or notice thereof having been given to the Issuer by the Bond Trustee.

**“Cash and Cash Equivalents”** means on any date, the aggregate equivalent in USD on such date of the then current market value of:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with an Acceptable Bank; and
- (b) time deposits with Acceptable Banks and certificates of deposit issued, and bills of exchange accepted, by an Acceptable Bank,

in each case to which any Group Company is beneficially entitled at the time, to which any Group Company has free and unrestricted access and which may be made available to the Issuer by any other Group Company.

**“Change of Control Event”** means a person or group of persons acting in concert, other than BW Group Limited or the Sohmen Family Interest and/or any subsidiary thereof, gaining Decisive Influence over the Issuer.

**“Compliance Certificate”** means a statement substantially in the form as set out in Attachment 1 hereto.

**“CSD”** means the central securities depository in which the Bonds are registered, being Verdpapirsentralen ASA (also known as Euronext VPS).

**“Decisive Influence”** means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or

- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**“Default Notice”** has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

**“Default Repayment Date”** means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

**“Delisting Event”** means the Issuer's common shares cease to be listed on an Exchange (or a reputable exchange in the UK, the US or Canada).

**“Distribution”** has the meaning ascribed to such term in Clause 13.13 (*Dividend restrictions*).

**“Dussafu Disposal Event”** means the Group's working interest in the Dussafu PSC is reduced below 50 per cent. in one or more transactions (including by a reduction of the Issuer's ownership in BW Energy Gabon S.A.).

**“Dussafu PSC”** means the Exploration and Production Sharing Contract “Dussafu No. G4-209”, dated 28 May 2003, with the Republic of Gabon in respect of the Dussafu Block, Offshore Gabon, as amended or supplemented from time to time.

**“Equity Ratio”** means the ratio of Book Equity to Total Assets on a consolidated basis for the Group.

**“Event of Default”** means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

**“Exchange”** means:

- (a) Oslo Børs (the Oslo Stock Exchange); or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

**“Finance Documents”** means:

- (a) these Bond Terms;
- (b) the Bond Trustee Fee Agreement; and
- (c) any other document designated by the Issuer and the Bond Trustee as a Finance Document.

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);



- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (i) the primary reason behind entering into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**“Financial Reports”** means the Annual Financial Statements and the Interim Accounts.

**“First Call Date”** means the Interest Payment Date falling in December 2026.

**“Group”** means the Issuer and its Subsidiaries from time to time.

**“Group Company”** means any person which is a member of the Group.

**“Initial Nominal Amount”** means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**“Insolvent”** means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

**“Interest Payment Date”** means the last day of each Interest Period, the first Interest Payment Date being 21 December 2024 and the last Interest Payment Date being the Maturity Date.

**“Interest Period”** means, subject to adjustment in accordance with the Business Day Convention, the period between 21 June and 21 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

**“Interest Rate”** means 10.00 percentage points per annum.

**“Interim Accounts”** means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with the Accounting Standard.

**“ISIN”** means International Securities Identification Number.

**“Issue Date”** means 21 June 2024.

**“Issuer”** means the company designated as such in the preamble to these Bond Terms.

**“Issuer’s Bonds”** means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

**“Joint Bookrunners”** means DNB Markets, a part of DNB Bank ASA and Pareto Securities AS.

**“Liquidity”** means, at any date, the aggregate book value of:

- (a) Cash and Cash Equivalents;
- (b) undrawn, committed credit lines available for general corporate purposes; and
- (c) receivables that are due no more than 30 days after the relevant date from offtakers with a rating of Baa2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency, in respect of lifted but unpaid hydrocarbons.

**“Listing Failure Event”** means that

- (a) the Issuer has not applied for the Bonds to be listed on an Exchange within 9 months following the Issue Date; or
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.

**“Make Whole Amount”** means an amount equal to the sum of the present value on the Call Option Repayment Date of:

- (a) the First Call Price of the redeemed Bonds as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Call Option Repayment Date) to and including the First Call Date,

where the present value in respect of both (a) and (b) above shall be calculated by using a discount rate of 4.968 per cent.

**“Material Adverse Effect”** means a material adverse effect on:

- (a) the Issuer’s ability to perform and comply with its payment obligations under any Finance Document to which it is a party; or
- (b) the validity or enforceability of the Finance Documents.

**“Material Company”** means a Group Company owning all or any part of an oil and gas licence, production sharing contract, concession or similar.

**“Maturity Date”** means 21 June 2029.

**“Net Proceeds”** means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Joint Bookrunners and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds)

**“Nominal Amount”** means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

**“Outstanding Bonds”** means any Bonds not redeemed or otherwise discharged.

**“Overdue Amount”** means any amount required to be paid by the Issuer under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

**“Partial Payment”** means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

**“Paying Agent”** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**“Payment Date”** means any Interest Payment Date or any Repayment Date.

**“Permitted Capital Markets Debt”** means any Financial Indebtedness incurred by the Issuer or any Group Company (other than any direct or indirect Subsidiary of the Issuer being the owner or holding company for the Dussafu PSC) under secured or unsecured bonds, notes or similar debt capital markets instruments where such Financial Indebtedness does not:

- (a) mature earlier than the date falling six months after the Maturity Date; and
- (b) provide for any amortisation prior to the Maturity Date.

**“Permitted Financial Support”** means any loan, guarantee or other financial assistance made, granted or given:

- (a) in the ordinary course of business; or
- (b) by any Group Company to or for the benefit of any other Group Company.

**“Put Option”** has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**“Put Option Event”** means a Cancellation Event, a Change of Control Event, a Delisting Event or a Dussafu Disposal Event.

**“Put Option Repayment Date”** means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**“Quarter Date”** means each 31 March, 30 June, 30 September and 31 December.

**“Relevant Jurisdiction”** means the country in which the Bonds are issued, being Norway.

**“Relevant Record Date”** means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

**“Repayment Date”** means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

**“Securities Trading Act”** means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Sohmen Family Interest**” means the interest of Mr. Andreas Sohmen-Pao, his family including siblings and heirs, and trusts or similar arrangements of which they are individual or collective beneficiaries.

“**Subordinated Loan**” means any loan provided to the Issuer by any person which is not a Group Company, provided that it:

- (a) has a final maturity date (and, if applicable, instalment dates or early redemption dates) which occur no earlier than six months after the Maturity Date; and
- (b) is subordinated to the Bonds pursuant to a subordination agreement, so that:
  - (i) no principal may be paid, repaid, repurchased, netted or set-off, reduced through the payment of other amounts or settled in kind;
  - (ii) no interest, fees, premia or other amounts may be paid (save by capitalisation of interest); and
  - (iii) no acceleration or declaration of default may occur, in each case at any time while the Bonds remain outstanding.

“**Subsidiary**” means a person over which another person has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Total Assets**” means the value of total assets in the Issuer’s consolidated balance sheet according to the Accounting Standard.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;

- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the amount of USD 100,000,000.
- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 1,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

### 2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

**2.3 Use of proceeds**

The Issuer will use the Net Proceeds from the issuance of the Bonds for general corporate purposes of the Group.

**2.4 Status of the Bonds**

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

**2.5 Transaction Security**

The Bonds are unsecured.

**3. THE BONDHOLDERS****3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

**3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

**3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one

or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

#### **4. ADMISSION TO LISTING**

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within nine months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

#### **5. REGISTRATION OF THE BONDS**

##### **5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

##### **5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

##### **5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

#### **6. CONDITIONS FOR DISBURSEMENT**

##### **6.1 Conditions precedent for disbursement to the Issuer**

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
  - (i) these Bond Terms duly executed by all parties hereto;
  - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;



- (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
  - (iv) copies of the Issuer's bye-laws and certificate of incorporation and a certificate of compliance issued by the Bermuda Registrar of Companies in respect of the Issuer evidencing that the Issuer is validly existing;
  - (v) copies of the Issuer's latest Financial Reports;
  - (vi) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
  - (vii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
  - (viii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
  - (ix) confirmation of acceptance from any process agent;
  - (x) copies of any written documentation used in marketing the Bonds or made public by the Issuer or the Joint Bookrunners in connection with the issuance of the Bonds;
  - (xi) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
  - (xii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

## **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms; and
- (b) on the Issue Date.

### **7.1 Status**

It is an exempted company limited by shares, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### **7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### **7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### **7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

### **7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

**7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

**7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

**7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

**7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

**7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

**7.11 No withholdings**

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

**7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

**7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

## **8. PAYMENTS IN RESPECT OF THE BONDS**

### **8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

### **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3.00 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.

### **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;

- (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
  - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
  - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

#### **8.4 Taxation**

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

#### **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent,

and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
  - (i) the last day in the relevant Interest Period is the 31<sup>st</sup> calendar day but the first day of that Interest Period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
  - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

### **9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.

### **10.2 Voluntary early redemption - Call Option**

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the “**Call Option**”) on any Business Day from and including:
  - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;

- (ii) the First Call Date to, but not including, the Interest Payment Date in June 2027 at a price equal to 105.00 per cent. of the Nominal Amount for each redeemed Bond;
  - (iii) the Interest Payment Date in June 2027 to, but not including, the Interest Payment Date in December 2027 at a price equal to 104.00 per cent. of the Nominal Amount for each redeemed Bond;
  - (iv) the Interest Payment Date in December 2027 to, but not including, the Interest Payment Date in June 2028 at a price equal to 103.00 per cent. of the Nominal Amount for each redeemed Bond;
  - (v) the Interest Payment Date in June 2028 to, but not including, the Interest Payment Date in December 2028 at a price equal to 102.00 per cent. of the Nominal Amount for each redeemed Bond; and
  - (vi) the Interest Payment Date in December 2028 to, but not including, the Maturity Date at a price equal to 100.50 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the relevant Call Option Repayment Date (and not on the date the Issuer exercised the relevant Call Option as described above).
  - (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer (i) shall be irrevocable, (ii) shall specify the Call Option Repayment Date and the aggregate Nominal Amount of the Bonds to be redeemed and (iii) may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent which shall be satisfied at least three Business Days prior to the Call Option Repayment Date (and, if any such conditions precedent have not been satisfied or waived by such time, the exercise of such Call Option shall automatically be cancelled).
  - (d) Any Call Option exercised in part will be used for *pro rata* payment to the Bondholders in accordance with the applicable regulations of the CSD.

### **10.3 Mandatory repurchase due to a Put Option Event**

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of 15 Business Days

exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.

- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption option due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

### **11. PURCHASE AND TRANSFER OF BONDS**

#### **11.1 Issuer's purchase of Bonds**

The Issuer and any Group Company may purchase and hold Bonds and such Bonds may be retained, or sold, but not discharged, in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.



## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Reports**

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two months after the end of the relevant interim period.

### **12.2 Requirements as to Financial Reports**

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.16 (*Financial covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

### **12.3 Put Option Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

### **12.4 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

### **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) promptly inform the Bond Trustee of any Cancellation Event, and whether the Issuer expects that such Cancellation Event may lead to an Event of Default;

- (c) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (d) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (e) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (f) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (g) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (h) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request.

### **13. GENERAL AND FINANCIAL UNDERTAKINGS**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

#### **13.1 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

#### **13.2 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time (including any applicable laws and regulations concerning environmental protection, sanctions, anti-bribery and anti-corruption).

#### **13.3 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Issue Date, provided that neither (i) any change in the relative sizes of various business units or lines of business, nor (ii) any extensions of the business of the Group into businesses similar or complementary to the business previously conducted, shall constitute a material change for the purposes of this undertaking.

#### **13.4 Corporate status**

The Issuer shall not change its type of organisation or jurisdiction of incorporation.

#### **13.5 Operations**

The Issuer shall ensure that the operations of any Group Company are conducted in accordance with acknowledged practices related to the oil and gas business in all material respects.

**13.6 Mergers and de-mergers**

The Issuer shall not, and shall procure that no other Group Company will, carry out:

- (a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer and any Group Company;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

**13.7 Arm's length transactions**

The Issuer shall, and shall procure that each other Group Company will, conduct all business transactions with any Affiliate which is not a Group Company on an arm's length basis.

**13.8 Pari Passu ranking**

The Issuer shall ensure that its obligations under the Bond Terms shall at all times rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

**13.9 Insurances**

The Issuer shall ensure that each other Group Company will maintain, with financially sound and reputable insurance companies, funds or underwriters, adequate insurance with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as would be reasonable with respect to similar assets to those owned by the relevant Group Company pursuant to good industry practice in the relevant jurisdiction of incorporation.

**13.10 Financial Indebtedness**

- (a) The Issuer shall not, and shall procure that no other Group Company will, incur Financial Indebtedness from an Affiliate which is not a Group Company unless it constitutes a Subordinated Loan.
- (b) The Issuer shall not, and shall procure that no other Group Company will, incur Financial Indebtedness under bonds, notes or similar debt capital market instruments unless constituting Permitted Capital Markets Debt.

**13.11 Financial Support Restrictions**

The Issuer shall not, and shall procure that no other Group Company will, grant any loans, guarantees or other financial assistance other than Permitted Financial Support.

**13.12 Disposals**

The Issuer shall procure that no other Group Company will sell or otherwise dispose of all or a substantial part of the Group's assets or operations (with the exception of intra-Group transactions) unless such transaction is carried out on arm's length terms and provided that such transaction would not have a Material Adverse Effect.

**13.13 Dividend restrictions**

The Issuer shall not make any dividend payment, repurchase of shares or other distribution or payment to its shareholders, whether in cash or in kind (each, a “**Distribution**”) other than in connection with the Group's management incentive programs.

**13.14 Subsidiaries' Distributions**

The Issuer shall not permit any of its Subsidiaries to create any contractual obligation or encumbrance restricting the right of any such Subsidiary to make Distributions, other than such contractual obligations or encumbrances as are not reasonably likely to prevent the Issuer from complying with its payment obligations under the Bond Terms.

**13.15 Hedging policy**

The Issuer shall not, and shall procure that no Group Company will, enter into hedging agreements for speculative purposes.

**13.16 Financial covenants**

- (a) The Issuer undertakes to comply with the following financial covenants during the term of the Bond issue:
  - (i) The Group shall at all times maintain free and available Liquidity of no less than USD 50,000,000.
  - (ii) The Group shall, as of each Quarter Date, have an Equity Ratio of no less than 30 per cent. or a Book Equity of no less than USD 500,000,000.
- (b) Compliance with the financial covenants set out in paragraph (a) above shall be calculated and measured on each Quarter Date and shall be certified by way of a Compliance Certificate provided by the Issuer to the Bond Trustee together with the relevant Financial Statements.

**14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS****14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

*(a) Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or

- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer or any Material Company does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer or any Material Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) *Cross default*

- (i) If for the Issuer or any Material Company:

- (A) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (B) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (C) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (D) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (A) to (D) above exceeds a total of USD 10,000,000 (or the equivalent thereof in any other currency).

- (ii) The events and circumstances set out in paragraph (i) above shall not constitute an Event of Default to the extent occurring with respect to a financing having no recourse to the Issuer and having recourse only to one or more Material Companies owning interests in the same field or cluster of fields.

(e) *Insolvency and insolvency proceedings*

The Issuer or any Material Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
  - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer or any Material Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer or any Material Company to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer or any Material Company to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

## 14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the

Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

#### **14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

#### **14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

### **15. BONDHOLDERS' DECISIONS**

#### **15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen

due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

## **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
  - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
  - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).



- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are

published on the website of the Bond Trustee (or other relevant electronically platform or press release).

- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a

Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

## 15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or (g) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a

quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.

- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

### **16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

**16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts; or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may

constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.

- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

#### **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

### **17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

### **17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1(a)(i) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **18. MISCELLANEOUS**

### **18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

### **18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the



Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.

- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

### **18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
  - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number,

corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and

- (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### **18.4 Defeasance**

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
  - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*).

- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

### **19. GOVERNING LAW AND JURISDICTION**

#### **19.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

#### **19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect

to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### **19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.



### **19.4 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
  - (i) irrevocably appoints BW Energy Norway Management AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
  - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

<p><b>The Issuer:</b></p> <p><b>BW Energy Limited</b></p> <p>DocuSigned by:  .....FE9QEE9E164C447.....</p> <p>By: Knut Saethre</p> <p>Position: CFO</p>	<p><b>As Bond Trustee:</b></p> <p><b>Nordic Trustee AS</b></p> <p>DocuSigned by:  .....2CDF1A62D9D9456.....</p> <p>By: Vivian Trøsch</p> <p>Position: Authorized signatory</p>
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**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**BW Energy Limited 10.00% Senior Unsecured USD 100,000,000 Callable Bonds 2024/2029 ISIN NO0013259663**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The financial covenants set out in Clause 13.15 (*Financial covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

**BW Energy Limited**

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Name of authorised person

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*