

IMPORTANT NOTICE (FOR ELECTRONIC DELIVERY)
THE ATTACHED PROSPECTUS IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER:
(1) QIBS (AS DEFINED BELOW) UNDER RULE 144A; OR (2) OUTSIDE THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the attached prospectus (the "Prospectus") relating to BW Energy Limited (the "Company"). You are advised to read this carefully before reading, accessing or making any other use of the Prospectus. Recipients of this electronic transmission who intend to subscribe for or purchase Offer Shares are reminded that any subscription or purchase may only be made on the basis of the information contained in the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached Prospectus is intended for you only and you agree you will not forward this electronic transmission or the attached Prospectus to any other person.

THE OFFER SHARES IN THE COMPANY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, OR UNDER THE APPLICABLE SECURITIES LAWS OF AUSTRALIA, CANADA, HONG KONG OR JAPAN. SUBJECT TO CERTAIN EXCEPTIONS, THE OFFER SHARES MAY NOT BE OFFERED OR SOLD WITHIN AUSTRALIA, CANADA, HONG KONG, JAPAN OR THE UNITED STATES.

DNB MARKETS, A PART OF DNB BANK ASA AND PARETO SECURITIES AS ARE ACTING AS JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS IN THE OFFERING ("THE JOINT GLOBAL COORDINATORS"). ARCTIC SECURITIES AS, DANSKE BANK, NORWEGIAN BRANCH, NORDEA BANK ABP, FILIAL I NORGE AND SWEDBANK AB (PUBL) ARE ACTING AS CO-MANAGERS (THE "CO-MANAGERS", AND TOGETHER WITH THE JOINT GLOBAL COORDINATORS, THE "MANAGERS"). THE MANAGERS, EXCEPT FOR NORDEA BANK ABP, FILIAL I NORGE, MAY ARRANGE FOR THE SALE OF OFFER SHARES (I) IN THE UNITED STATES TO PERSONS WHO ARE QUALIFIED INSTITUTIONAL BUYERS ("QIBS") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT IN RELIANCE ON RULE 144A OR ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, AND (II) OUTSIDE THE UNITED STATES PURSUANT TO, AND IN COMPLIANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND APPLICABLE SECURITIES REGULATIONS IN EACH JURISDICTION IN WHICH THE OFFER SHARES ARE OFFERED.

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE OFFER SHARES DESCRIBED THEREIN.

This electronic transmission and the attached Prospectus are only addressed to persons in Norway and persons in any other member states of the European Economic Area (the "EEA") who are qualified investors within the meaning of Regulation (EU) 2017/1129 of the European Parliament ("Qualified Investors"). In addition, in the United Kingdom, this electronic transmission and the attached Prospectus are only addressed to Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) are persons who are high net worth entities falling within article 49(2)(a) to (d) of the Order or (iii) are other persons to whom they may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). This electronic transmission and the attached document must not be acted or relied on (i) in the United Kingdom, by persons who are not Relevant Persons or (ii) in any member state of the EEA, other than Norway, by persons who are not Qualified Investors.

Confirmation of your Representation: This electronic transmission and the attached Prospectus are delivered to you on the basis that you are deemed to have represented to the Company and the Managers that: (i) you have understood and agree to the terms set out herein; (ii) you consent to delivery of such Prospectus by electronic transmission; and (iii) you are any of the following (a) a person in Norway, (b) a QIB acting on your

own behalf or behalf of another QIB, (c) a person in a member state of the EEA, other than Norway, who is a Qualified Investor and/or a Qualified Investor acting on behalf of Qualified Investors or Relevant Persons, (d) a person in the United Kingdom who is a Relevant Person and/or a Relevant Person acting on behalf of Relevant Persons or Qualified Investors, or (e) you are an institutional investor that is otherwise eligible to receive this electronic transmission and the attached document in accordance with the laws of the jurisdiction in which you are located.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of the Prospectus to any other person. Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the Company, the Managers nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request.

The materials relating to the Offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the Offering be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by the Manager or such affiliate on behalf of the Company in such jurisdiction.

Restriction: Nothing in this electronic transmission or the attached Prospectus constitutes, and this electronic transmission and the attached Prospectus may not be used in connection with, an offer of securities for sale to persons other than the specified categories of buyers described above and to whom it is addressed to and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

None of the Managers, or any of their respective affiliates, or any of their respective directors, officers, employees or agents accepts any responsibility whatsoever for the contents of the Prospectus or for any statement made or purported to be made by the Company, or on its behalf, in connection with the Offering. The Managers and any of their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty, express or implied, is made by any of the Managers or any of their respective affiliates as to the accuracy or completeness of the information set out in this document or the Prospectus.

The Managers are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

You are responsible for protecting against viruses and other destructive items. Your use of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Page has intentionally been left blank

PROSPECTUS



BW ENERGY

BW ENERGY LIMITED

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

Initial public offering of Shares with an indicative price range of NOK 34.20 to NOK 36.60 per Share

Listing of the Company's Shares on the Oslo Stock Exchange

This prospectus (the "**Prospectus**") has been prepared in connection with the initial public offering (the "**Offering**") of the shares, each with a par value of USD 0.01 (the "**Shares**"), of BW Energy Limited ("**BW Energy**", or the "**Company**"), an exempted company limited by shares incorporated under the laws of Bermuda (together with its consolidated subsidiaries, the "**Group**"), and the listing (the "**Listing**") of the Shares on the Oslo Stock Exchange, a stock exchange operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"). The Offering comprises of up to 46,849,342 new Shares to be issued by the Company (the "**Offer Shares**"), raising gross proceeds of approximately NOK 1,602,247,500.

The Offering consists of: (i) an institutional offering to (a) institutional and professional investors in Norway, (b) investors outside Norway and the United States of America (the "**U.S.**" or the "**United States**"), subject to applicable exemptions from the prospectus requirements, and (c) "qualified institutional buyers" ("**QIBs**") in the United States as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") in transactions exempt from registration requirements under the U.S. Securities Act (the "**Institutional Offering**"), and (ii) a retail offering to the public in Norway (the "**Retail Offering**"). All offers and sales outside the United States will be made in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**").

The price (the "**Offer Price**") at which the Offer Shares are expected to be sold will be between NOK 34.20 and NOK 36.60 per Offer Share (the "**Indicative Price Range**"). The Offer Price may be set within, below or above the Indicative Price Range. The Offer Price will be determined through a bookbuilding process and will be set by the Company in consultation with the Joint Global Coordinators (as defined below). See Section 17 "Terms of the Offering" for further information. The Offer Price, and the number of Offer Shares sold in the Offering, is expected to be announced through a stock exchange notice on 7 February 2020. The offer period for the Institutional Offering (the "**Bookbuilding Period**") will commence at 09:00 hours (Central European Time, "**CET**") on 30 January 2020 and close at 14:00 hours (CET) on 7 February 2020. The application period for the Retail Offering (the "**Application Period**") will commence at 09:00 hours (CET) on 30 January 2020 and close at 12:00 hours (CET) on 7 February 2020. The Bookbuilding Period and the Application Period may be shortened or extended beyond the set times by the Company in consultation with the Joint Global Coordinators, but will in no event be shortened to expire prior to 16:30 hours (CET) on 6 February 2020 or extended beyond 16:30 hours (CET) on 24 February 2020.

DNB Markets, a part of DNB Bank ASA, ("**DNB**") and Pareto Securities AS ("**Pareto**") are acting as joint global coordinators and joint bookrunners in the Offering (the "**Joint Global Coordinators**"). Arctic Securities AS, Danske Bank, Norwegian Branch, Nordea Bank Abp, filial i Norge and Swedbank AB (publ) are acting as co-managers (the "**Co-Managers**", and together with the Joint Global Coordinators, the "**Managers**"). The Joint Global Coordinators may elect to over-allot a number of additional Shares equalling up to 15% of the final number of Offer Shares sold in the Offering (the "**Additional Shares**"). In this respect, BW Offshore Limited ("**BW Offshore**") is expected to grant to Pareto (the "**Stabilisation Manager**"), on behalf of the Managers, an option to borrow a number of Shares equal to the number of Additional Shares in order to facilitate such over-allotment (the "**Borrowing Option**"). The Stabilisation Manager, on behalf of the Managers, is expected to be granted an option by the Company to purchase a number of new Shares equal to the number of Additional Shares at a price per Share equal to the Offer Price (the "**Greenshoe Option**"), exercisable, in whole or in part, within a 30-day period commencing at the time at which trading in the Shares commences on the Oslo Stock Exchange, expected to be on or about 11 February 2020, on the terms and subject to the conditions described in this Prospectus.

The Shares have not previously been admitted to trading on a regulated market. The Company expects to apply on or about 31 January 2020 for the Shares to be admitted for trading and listing on the Oslo Stock Exchange on or about 11 February 2020, and completion of the Offering is subject to the approval of the listing application by the board of directors of the Oslo Stock Exchange, the satisfaction of the conditions for admission to listing set by the Oslo Stock Exchange and certain other conditions as set out in Section 17.15 "Conditions for completion of the Offering – Listing and trading of the Offer Shares". Trading in the Shares on the Oslo Stock Exchange is expected to commence on or about 11 February 2020, under the ticker code "BWE".

The Shares will be registered in the Norwegian Central Securities Depository (the "**VPS**") in book-entry form upon Listing. See Section 17.14 "VPS registration" for information on the registration process. All of the issued Shares rank pari passu with one another and each carry one vote.

Investing in the Shares, including the Offer Shares, involves risks. Prospective investors should read the entire Prospectus and, in particular, consider Section 2 "Risk factors" beginning on page 14 when considering an investment in the Company.

The Shares 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 are being offered and sold: (i) in the United States only to QIBs as defined in Rule 144A or in other transactions exempt from registration requirements under the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. For more information regarding restrictions in relation to the Offering, see Section 19 "Selling and transfer restrictions".

The due date for the payment of the Offer Shares is expected to be on or about 11 February 2020 in the Retail Offering and on or about 12 February 2020 in the Institutional Offering. Delivery of the Offer Shares is expected to take place on or about 12 February 2020 in the Retail Offering and on or about 12 February 2020 in the Institutional Offering, in each case through the facilities of the VPS. Trading in the Shares on the Oslo Stock Exchange is expected to commence on or about 11 February 2020, under the ticker code "BWE". If closing of the Offering does not take place on such dates or at all, the Offering may be withdrawn, resulting in all applications for Offer Shares being disregarded, any allocations made being deemed not to have been made and any payments made will be returned without any interest or other compensation. All dealings in the Shares prior to settlement and delivery are at the sole risk of the parties concerned.

Joint Global Coordinators



Co-Managers



The date of this Prospectus is 29 January 2020

IMPORTANT INFORMATION

This Prospectus has been prepared in connection with the Offering of the Offer Shares and the Listing of the Shares 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 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, and repealing Directive 2014/71/EC¹, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). 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 "**NFSA**"), as competent authority under the EU Prospectus Regulation. The NFSA 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. Investors should make their own assessment as to the suitability of investing in the securities.

For definitions of certain other terms used throughout this Prospectus, see Section 21 "Definitions and glossary".

The information contained herein is current as at the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus which may affect the assessment of the Offer Shares and which arises or is noted between the time when the Prospectus is approved by the NFSA and the listing of the Shares on the Oslo Stock Exchange, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Offer Share, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group or in connection with the Offering or the sale of the Offer Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. Neither this Prospectus nor any advertisement or any other offering material 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 such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 19 "Selling and transfer restrictions".

This Prospectus and the terms and conditions of the Offering as set out herein and any sale and purchase of Offer Shares hereunder shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering or this Prospectus.

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Offering, including the merits and risks involved. None of the Company or the Managers, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. 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 Offer Shares.

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

EXCHANGE CONTROL

The Company intends to apply for and expects to receive consent under the Exchange Control Act 1972 (and its related regulations) from the Bermuda Monetary Authority for the issue and transfer of the common shares to and between non-residents of Bermuda for exchange control purposes provided the Shares remain listed on an appointed stock exchange (as such term is defined in the Companies Act 1981 of Bermuda, as amended (the "**Bermuda Companies Act**") (an "**Appointed Stock Exchange**")), which includes the Oslo Stock Exchange. In granting such consent the Bermuda Monetary Authority accepts no responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this Prospectus.

NOTICE TO INVESTORS IN THE UNITED STATES

The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not passed upon the merits of the Offering or confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense under the laws of the United States.

The Offer Shares 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 for offer or sale as part of their distribution and may not be offered, sold, pledged or otherwise transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

Accordingly, the Offer Shares are being offered and sold: (i) in the United States only to QIBs in reliance on Rule 144A pursuant to or another available exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S. For certain restrictions on the sale and transfer of the Offer Shares, see Section 19 "Selling and transfer restrictions".

¹ Means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC.

Prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Offer Shares, and are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act. See Section 19 "Selling and transfer restrictions".

In the United States, this Prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Shares.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO UNITED KINGDOM INVESTORS

Offers of Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are 'qualified investors' within the meaning of section 86 of the Financial Services and Markets Act 2000 ("FSMA") or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the FSMA.

This Prospectus is only being distributed to and is only directed at, and any investment or investment activity to which the document relates is available only to, and will be engaged in only with (i) persons falling within the definition of 'investment professionals' in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts falling within Article 49(2)(a) to (d) of the Order; and/or (iii) other persons to whom such investment or investment activity may lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

Each of the Managers has represented, warranted and agreed (i) that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of the Offer Shares in circumstances in which section 21(1) of the FSMA does not apply to the Company and (ii) that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

NOTICE TO INVESTORS IN BERMUDA

The Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003 of Bermuda and the Exchange Control Act 1972 and related regulations and the Bermuda Companies Act. Additionally, non-Bermudian persons may not carry on or engage in any trade or business in Bermuda unless such persons are authorised to do so under applicable Bermuda legislation. Engaging in the activity of offering or marketing the Shares in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda.

NOTICE TO INVESTORS IN THE EEA

In any member state of the European Economic Area (the "**EEA**"), other than Norway (each a "**Relevant Member State**"), this communication is only addressed to and is only directed at persons who are "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation. The Prospectus has been prepared on the basis that all offers of Offer Shares outside Norway will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to produce a prospectus for offer of shares. Accordingly, any person making or intending to make any offer of Offer Shares which is the subject of the Offering contemplated in this Prospectus within any Relevant Member State should only do so in circumstances in which no obligation arises for the Company or any of the Managers to publish a prospectus or pursuant to Article 1 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Company nor the Managers have authorised, nor do they authorise, the making of any offer of Shares through any financial intermediary, other than offers made by Managers which constitute the final placement of Offer Shares contemplated in this Prospectus.

Each person in a Relevant Member State other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway, who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- a) it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

See Section 19 "Selling and transfer restrictions" for certain other notices to investors.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

STABILISATION

In connection with the Offering and in accordance with all applicable laws and rules, the Stabilisation Manager acting for the account of the Managers, may (but will be under no obligation to) in the event of over-allotment of Additional Shares effect stabilisation transactions with a view to supporting the market price of the Shares for up to 30 days from the commencement of trading in the Shares on the Oslo Stock Exchange (the "**Stabilisation Period**") at a level higher than that which might otherwise prevail. However, stabilisation action may not necessarily occur and may cease at any time. Any stabilisation action may begin on or after the date of commencement of trading of the Shares on the Oslo Stock Exchange and, if begun, may be ended at any time, but it must end no later than 30 days after that date. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager in accordance with all applicable laws and rules and can be undertaken at the offices of the Stabilisation Manager and on the Oslo Stock Exchange. Stabilisation may result in an exchange or market price of the Shares that is higher than what might otherwise prevail, and the exchange or market price may reach a level that cannot be maintained on a permanent basis.

Any stabilisation activities will be conducted in accordance with Section 3-12 of the Norwegian Securities Trading Act and the EC Commission Regulation 2273/2003 regarding buy-back programmes and stabilisation of financial instruments. Save as required by law or regulation, the Stabilisation Manager does not intend to disclose the extent of any stabilisation transactions under the Offering.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is an exempted company limited by shares incorporated under the laws of Bermuda. As a result, the rights of holders of the Shares will be governed by Bermuda law, the Company's memorandum of association (the "**Memorandum of Association**") and bye-laws (the "**Bye-Laws**"). The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. None of the members of the Company's board of directors (the "**Directors**" and the "**Board of Directors**", respectively) and not all the members of the senior management of the Group (the "**Management**") are residents of the United States, and the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its Directors and members of Management in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway or Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Directors or members of Management under the securities laws of those jurisdictions or entertain actions in Norway or Bermuda against the Company or its Directors or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway or Bermuda. The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters with either Norway or Bermuda.

AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, it will during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from such reporting requirements by complying with the information furnishing requirements of Rule 12g3-2(b) under the U.S. Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act. The Company is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act.

TABLE OF CONTENTS

1	SUMMARY	8
2	RISK FACTORS	14
2.1	Risks related to the industry in which the Group operates	14
2.2	Risks related to the Group and its business and operations	15
2.3	Risks related to laws, regulations and litigation	19
2.4	Risks related to the Shares, the Offering and the Listing	21
3	RESPONSIBILITY FOR THE PROSPECTUS	23
4	GENERAL INFORMATION	24
4.1	Other important investor information	24
4.2	Presentation of financial and other information	24
4.3	Industry and market data	26
4.4	Cautionary note regarding forward-looking statements	27
5	REASONS FOR THE OFFERING AND THE LISTING	29
6	DIVIDENDS AND DIVIDEND POLICY	30
6.1	Dividend policy	30
6.2	Legal and contractual constraints on the distribution of dividends	30
6.3	Manner of dividend payments	30
7	INDUSTRY AND MARKET OVERVIEW	31
7.1	The global energy market	31
7.2	Overview of the oil market	31
7.3	Overview of the global gas market	33
7.4	Overview of the Group's countries of operation	35
7.5	Competitive environment for upstream oil and gas	36
8	BUSINESS OF THE GROUP	38
8.1	Introduction	38
8.2	Competitive strengths	38
8.3	Strategy	39
8.4	Legal structure	40
8.5	History and important events	42
8.6	Overview of the Group's business	43
8.7	Insurance	53
8.8	Information technology	54
8.9	Health, safety and environmental matters	54
8.10	Legal proceedings	55
8.11	Material contracts	56
8.12	Summary of the asset acquisition agreements	56
8.13	Research and development	56
8.14	Dependency on contracts, patents, licences, intellectual property etc.	56
8.15	Applicable laws and regulations	57
9	CAPITALISATION AND INDEBTEDNESS	64
9.1	Introduction	64
9.2	Capitalisation	64
9.3	Net financial indebtedness	65
9.4	Working capital statement	65
9.5	Contingent and indirect indebtedness	66
10	SELECTED FINANCIAL AND OTHER INFORMATION	67
10.1	Introduction and basis for preparation	67
10.2	Summary of accounting policies and principles	67
10.3	Selected combined statements of profit/ (loss) and statements of comprehensive income/ (loss) ..	67
10.4	Selected combined statements of financial position	68
10.5	Selected combined statements of cash flows	69
10.6	Selected combined statements of changes in equity	70

10.7	The Company's Statement of Financial Position.....	70
10.8	Revenues by geographic area	71
10.9	Property, plant and equipment	71
10.10	Earnings per share	71
10.11	Independent auditor.....	71
11	OPERATING AND FINANCIAL REVIEW	73
11.1	Overview	73
11.2	Description of income statement line items	73
11.3	Recent developments and trends	74
11.4	Results of operations.....	75
11.5	Financial position	81
11.6	Liquidity and capital resources.....	86
11.7	Investments.....	87
11.8	Borrowings and other contractual obligations	89
11.9	Financial risk management.....	89
11.10	Significant change.....	90
12	BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE	91
12.1	Board of Directors.....	91
12.2	Management	93
12.3	Remuneration and benefits	95
12.4	Benefits upon termination.....	95
12.5	Pensions and retirement benefits	95
12.6	Loans and guarantees	95
12.7	Employees	95
12.8	Nomination committee	96
12.9	Audit committee	96
12.10	Remuneration committee.....	96
12.11	Corporate governance	96
12.12	Conflicts of interests etc.	97
13	RELATED PARTY TRANSACTIONS	98
13.1	Introduction	98
13.2	Overview of related parties transactions in the years ended 31 December 2018, 2017 and 2016 .	98
13.3	Related parties transactions for the year ended 31 December 2016.....	98
13.4	Related parties transactions for the year ended 31 December 2017.....	99
13.5	Related parties transactions for the year ended 31 December 2018.....	99
13.6	Transactions carried out with related parties in the period following 31 December 2018.....	99
14	CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL.....	102
14.1	Company corporate information.....	102
14.2	Legal structure	102
14.3	Authorised and issued share capital.....	102
14.4	Share capital history	103
14.5	Listing on the Oslo Stock Exchange	103
14.6	Ownership structure.....	103
14.7	Share repurchase and treasury shares.....	104
14.8	Other financial instruments	104
14.9	VPS registration of the Shares	104
14.10	Shareholder rights	104
14.11	The Memorandum of Association, Bye-laws and Bermuda law.....	104
14.12	Takeover and change of control	110
14.13	Shareholders' agreement.....	111
14.14	Enforcement of civil rights.....	111
15	SECURITIES TRADING IN NORWAY	112
15.1	Introduction	112
15.2	Trading and settlement.....	112
15.3	Information, control and surveillance.....	112
15.4	The VPS and transfer of shares	113
15.5	Shareholder register.....	113

15.6	Foreign investment in shares listed in Norway	114
15.7	Disclosure obligations	114
15.8	Insider trading.....	114
15.9	Mandatory offer requirement.....	114
15.10	Compulsory acquisition.....	115
15.11	Foreign exchange controls	115
16	TAXATION	117
16.1	Bermuda taxation	117
16.2	Norwegian taxation	117
17	TERMS OF THE OFFERING	120
17.1	Overview of the Offering	120
17.2	Timetable	121
17.3	Resolution relating to the Offering and the issue of the Offer Shares	122
17.4	The Institutional Offering	122
17.5	The Retail Offering	123
17.6	Mechanism of allocation.....	125
17.7	VPS account.....	126
17.8	National Client Identifier and Legal Entity Identifier.....	126
17.9	Product governance	126
17.10	Mandatory anti-money laundering procedures	127
17.11	Over-allotment and stabilisation activities	127
17.12	Publication of information in respect of the Offering	128
17.13	The rights conferred by the Offer Shares	128
17.14	VPS registration.....	128
17.15	Conditions for completion of the Offering – Listing and trading of the Offer Shares.....	129
17.16	Dilution	129
17.17	Expenses of the Offering and the Listing	129
17.18	Lock-up	130
17.19	Interest of natural and legal persons involved in the Offering	130
17.20	Participation of major existing shareholders and members of the Management, supervisory and administrative bodies in the Offering	131
17.21	Governing law and jurisdiction.....	131
18	THE BW OFFSHORE DIVIDEND DISTRIBUTION.....	132
18.1	Overview	132
18.2	The rights conferred by the Dividend Shares	132
18.3	Admission to trading of the Dividend Shares	132
19	SELLING AND TRANSFER RESTRICTIONS	133
19.1	General	133
19.2	Selling restrictions	133
19.3	Additional jurisdictions.....	134
19.4	Transfer restrictions	134
20	ADDITIONAL INFORMATION	137
20.1	Independent auditor and advisors	137
20.2	Documents on display	137
20.3	Competent person's reports	137
20.4	Incorporation by reference.....	138
21	DEFINITIONS AND GLOSSARY	140
21.1	Definitions	140
21.2	Explanation of technical terms.....	145

APPENDICES

APPENDIX A	BYE-LAWS OF BW ENERGY LIMITED
APPENDIX B	APPLICATION FORM FOR THE RETAIL OFFERING

1 SUMMARY

<i>Warning</i>	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Company's Shares 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.
<i>Securities</i>	The Company has one class of shares in issue. The existing Shares and the Offer Shares will be registered in book-entry form with the VPS and have ISIN BMG0702P1086.
<i>Issuer</i>	BW Energy Limited's registration number in the Bermuda Registrar of Companies is 54653 and its LEI is 5493004D19CJBN3DLD40. The Company's registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda and the Company's main telephone number at that address is +1 441 295 1422. The Group's website can be found at www.bwenergy.no .
<i>Competent authority</i>	The Financial Supervisory Authority of Norway (<i>Nw.: Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, N-0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and, on 29 January 2020, approved this Prospectus.

Key information on the issuer

Who is the issuer?

<i>Corporate information</i>	BW Energy Limited is an exempted company limited by shares and incorporated and existing under the laws of Bermuda pursuant to the Bermuda Companies Act. The Company was incorporated in Bermuda on 22 May 2019, and the Company's registration number is 54653 and its LEI is 5493004D19CJBN3DLD40.
<i>Principal activities</i>	The Company, through its subsidiaries, is involved in the exploration, development, exploitation and production of oil and gas. The Company is focused on oil and gas located offshore and currently holds assets in Gabon, Namibia and Brazil.
<i>Major Shareholders</i>	Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, no shareholder, other than those set out in the table below holds more than 5% of the issued Shares.

#	Shareholder Name	Ultimate owner	No. of shares	Percentage (%)
1	BW Offshore Limited	Sohmen family interests ¹	128,580,066	68.6%
2	BW Group Limited	Sohmen family interests ¹	57,090,033	30.5%
Other		-	1,730,001	0.9%
Total		-	187,400,100	100%

1. BW Group is a major shareholder of BW Energy and the largest shareholder of BW Offshore (which in turn is the largest shareholder of BW Energy). BW Group is owned by a company controlled by corporate interests associated with the Sohmen family.

Key members of the management team The Group's management team consists of four individuals. The names of the members of the management and their respective positions are presented in the table below.

Name	Position
Carl Krogh Arnet	Chief Executive Officer
Knut Ruhaven Sæthre	Chief Financial Officer
Lin Garner Espey	Chief Operating Officer
Thomas Kolanski	Head of Business Development

Statutory auditor KPMG AS, registration number 935 174 627.

What is the key financial information regarding the issuer?

Combined Statements of Profit / (Loss)

<i>In USD million</i>	Year ended 31 December			Nine months ended 30 September	
	2018	2017	2016	2019	2018
Total revenues	39.2	-	-	189.7	1.6
Operating profit / (loss)	13.3	(2.6)	-	81.3	1.2
Net profit / (loss)	4.1	(2.9)	0.1	46.3	1.3

Combined Statements of Financial Position

<i>In USD million</i>	Year ended 31 December			Nine months ended 30 September	
	2018	2017	2016	2019	2018
Total assets	341.1	101.4	2.9	599.1	283.8
Total equity	229.5	45.5	0.4	276.9	76.7

Combined Statements of cash flows

<i>In USD million</i>	Year ended 31 December			Nine months ended 30 September	
	2018	2017	2016	2019	2018
Net change in cash and cash equivalents	(10.2)	15.6	2.6	77.1	(10.0)

What are the key risks that are specific to the issuer?

- Material risk factors*
- Developments in the global offshore oil and gas market and decreases in oil and gas prices may materially affect the Group's business. The Group's operations and income is reliant on the sale of oil and gas products or such underlying assets (field interests or discoveries). Thus, decreases in oil and gas prices and fluctuations in investments in offshore developments and disappointing exploration results, will materially affect the Group's business, financial condition, results of operations and prospects.
 - Exploration, development, production, decommissioning and related activities involves a high degree of risk of e.g. blowouts, seismic shifts and explosions. Any such events may materially affect the Group's business, financial condition, results of operations and prospects.
 - The estimated volumes of the Company's reserves and resources are by their nature uncertain, which entails an inherent risk that the estimates in the future may be proved to be inaccurate or incorrect. This may result in substantial upward or downward revisions of the Group's reserves and resources. 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.
 - 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, and any deviation from current estimates or significant increases in decommissioning

costs relating to the Group's previous, current or future E&P assets may have a material adverse effect on the Company.

- The Group has operations in emerging economies with political, economic and social uncertainties. Such uncertainties may materially and adversely affect the Group's business, prospects and results of operation.
- The Group operates in countries with a high risk of corrupt practices. Corrupt practices of 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.
- The Company's insurance or indemnities may not adequately cover all risks, liabilities or expenses that could result from its operations, and any uninsured loss or liabilities, or any loss and liability exceeding the insured limits, may have a material adverse effect on the Group.
- The regulatory framework for hydrocarbon operations in countries where the Group operates and owns assets is still developing and may be subject sudden and unexpected changes that are adverse to the Group. Such adverse changes may materially affect the Group's financial and operating conditions, results of operations and future prospects.

Key information on the securities

What are the main features of the securities?

<i>Type, class and ISIN.....</i>	All of the Shares are common shares in the Company and have been created under the Bermuda Companies Act. The existing Shares and the Offer Shares will be registered in book-entry form with the VPS in connection with the Listing and have ISIN BMG0702P1086.
<i>Currency, par value and number of securities</i>	The Shares will be traded in NOK on the Oslo Stock Exchange. As of the date of this Prospectus, the Company's authorised share capital is USD 3,000,000 consisting of 300,000,000 Shares, each with a par value of USD 0.01, of which 187,400,100 Shares have been issued.
<i>Rights attached to the securities.....</i>	The Company has one class of shares in issue, and all shares in that class provide equal rights in the Company. Each of the Shares carries one vote.
<i>Transfer restrictions.....</i>	<p>The Shares of the Company are freely transferrable. However, pursuant to the Company's Bye-laws, the board of directors may refuse to register any transfer of Shares that would be likely to result in 50% or more of the shares of the Company or 50% or more of the votes attached to all issued and outstanding shares in the Company, being held directly or indirectly by individuals or legal persons resident in Norway for tax purposes, 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.</p> <p>Furthermore, the board of directors of the Company shall refuse to register a transfer of any Share unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained and may in its absolute discretion refuse to register the transfer of a Share in certain circumstances under the Bye-laws, including where such share is not fully paid. The Company will have all required Bermuda governmental consents, authorisations and permissions for the transfer of Shares in the VPS system from the time of Listing.</p> <p>BW Offshore and BW Group, being the largest direct and indirect shareholders of the Company, as well as members of Management and Directors of the Company, are expected to enter into lock-up agreements with the Managers for a period of 12 months from the first day of trading of the Shares on the Oslo Stock Exchange, and the Company will undertake lock-up undertakings with the Managers for a period up to and including the date falling 12 months from the first day of trading of the Shares on the Oslo Stock Exchange.</p>
<i>Dividend and dividend policy.....</i>	The Company targets a dividend based on a pay-out ratio of 50% of annual net profit, adjusted for extraordinary items. The Board of Directors may, at its

discretion, resolve to propose that the Company distributes dividends. There can be no assurance that a dividend will be proposed or declared in any given year.

Where will the securities be traded?

The Company will on or about 31 January 2020 apply for Listing of its Shares on the Oslo Stock Exchange. The Company currently expects commencement of trading in the Shares on the Oslo Stock Exchange on or about 11 February 2020. The Company has not applied for admission to trading of the Shares on any other stock exchange, regulated market or a multilateral trading facility (MTF).

What are the key risks that are specific to the securities?

- Material risk factors*
- There is no existing market for the Shares, and there can be no assurance that an active and liquid trading market will develop.
 - Shareholders do not have the same preferential rights in future offerings in the Company as shareholders in Norwegian limited liability companies, which increases the risk that future issuances of Shares or other securities may dilute the holdings of Shareholders.
 - BW Group and BW Offshore have significant voting power and the ability to influence matters requiring shareholder approval. The commercial goals of BW Group and BW Offshore, and those of the Company, may not always be aligned and this concentration of ownership may not always be in the best interest of the Company's other shareholders.
 - Limited free float in the Shares may have a negative impact on the liquidity of and market price for the Shares.

Key information on the offer of securities to the public and the admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

Terms and conditions of the offering.....

The Offering consists of:

- An Institutional Offering, in which Offer Shares are being offered to (a) institutional and professional investors in Norway, (b) investors outside Norway and the United States, subject to applicable exemptions from any prospectus and registration requirements, and (c) investors in the United States who are QIBs in transactions exempt from registration requirements under the U.S. Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,000,000.
- A Retail Offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each investor. Investors who intend to place an order in excess of NOK 1,999,999 must do so in the Institutional Offering. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit.

All offers and sales in the United States will be made only to QIBs in reliance on Rule 144A or pursuant to another exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act. All offers and sales outside the United States will be made in compliance with Regulation S.

The Company, together with the Joint Global Coordinators, has set an Indicative Price Range for the Offering from NOK 34.20 to NOK 36.60 per Offer Share. Assuming the Offer Price is set at the low-point of the Indicative Price Range and the maximum number of Offer Shares are sold (excl. Additional Shares), the Offering will amount to up to 46,849,342 Offer Shares, representing up to 20% of the Shares in issue following the Offering and prior to the issuance of any Shares under the Greenshoe Option.

Timetable in the offering. The key dates in the Offering are set out below. Please note that the Company, in consultation with the Joint Global Coordinators, reserve the right to shorten or extend the Bookbuilding Period and Application Period at any time and at their sole discretion.

Bookbuilding Period commences.....	30 January 2020 at 09:00 hours (CET)
Bookbuilding Period ends.....	7 February 2020 at 14:00 hours (CET)
Application Period commences	30 January 2020 at 09:00 hours (CET)
Application Period ends	7 February 2020 at 12:00 hours (CET)
Allocation of the Offer Shares.....	On or about 7 February 2020
Publication of the results of the Offering	On or about 7 February 2020
Issuance of allocation notes	On or about 10 February 2020
Accounts from which payment will be debited in the Retail Offering to be sufficiently funded	On or about 10 February 2020
Payment date in the Retail Offering	On or about 11 February 2020
Delivery of the Offer Shares in the Retail Offering (subject to timely payment).....	On or about 12 February 2020
Payment date in the Institutional Offering	On or about 12 February 2020
Delivery of the Offer Shares in the Institutional Offering.....	On or about 12 February 2020
Commencement trading in the Shares.....	On or about 11 February 2020

Admission to trading The Company will on or about 31 January 2020 apply for admission to trading of its Shares on the Oslo Stock Exchange. It is expected that the board of directors of the Oslo Stock Exchange will approve the listing application of the Company on 6 February 2020, conditional upon the Company obtaining a minimum of 500 shareholders, each holding Shares with a value of more than NOK 10,000 and the Company satisfying the minimum free float requirement set by Oslo Børs. Oslo Børs has indicated to the Company that an exemption from the 25% free float requirement will be granted for a period of 18 months from the first day of trading, provided that the free float at the first day of trading is at least 22%. The Company expects that these conditions will be fulfilled through the Offering and the BW Offshore Dividend Distribution.

The Company currently expects commencement of trading in the Shares on the Oslo Stock Exchange on or about 11 February 2020.

Distribution plan..... In the Institutional Offering, the Company, together with the Joint Global Coordinators, will determine the allocation of Offer Shares based on certain allocation principles.

In the Retail Offering, allocation will be made on a pro rata basis using the VPS automated simulation procedures. The Company and the Managers reserve the right to limit the total number of applicants to whom Offer Shares are allocated in order to keep the number of Shareholders at an appropriate level, in which case the applicants to whom Offer Shares are allocated will be determined on a random basis by using the VPS automated simulation procedures and/or other random allocation mechanism.

Members of the Board of Directors and the Management, and employees of the Group and the BW Offshore group (or companies controlled by any such persons) will receive full allocation.

Dilution Assuming that the Offer Price is set at the low-end of the Indicative Price Range, up to 46,849,342 Offer Shares may be issued in the Offering, which corresponds to a dilution for the existing Shareholders of approximately 20% (approximately 22.3% assuming full exercise of the Greenshoe Option). Assuming that the Offer Price is set at the high end of the Indicative Price Range, up to 43,777,254 Offer Shares may be issued in the Offering, which corresponds to a dilution for the existing Shareholders of approximately 18.94% (approximately 21.18% assuming full exercise of the Greenshoe Option).

Total expenses of the issue/offer The Company's total costs and expenses of, and incidental to, the Listing and the Offering are estimated to amount to approximately USD 10 million (equivalent to approximately NOK 91.6 million at the Offer Exchange Rate). No expenses or taxes will be charged by the Company or the Managers to the applicants in the Offering.

Why is this Prospectus being produced?

Reasons for the Offering and the Listing The Company's reasons for the Offering are to raise capital to finance the Group's ongoing and future oil and gas projects. The Group currently intends to invest in further phases of development at the Dussafu block with phase 2 at the Tortue field and development of the Ruche Area. In Brazil, the Group intends to sanction the Maromba phase 1 development when the necessary government approvals are obtained.

The Group believes that the Listing will:

- enable access to a wider investor universe for the Company's shares;
- create liquidity for trading of the shares in the Company and obtain market valuation of the Group;
- increase transparency of the E&P business currently consolidated under BW Offshore which has its principle business in operating FPSOs;
- facilitate the use of Shares as consideration in M&A transactions and provide access to capital markets;
- enhance the Company's profile with investors, business partners, governments, suppliers and customers; and
- further enhance the ability of the Group to attract and retain key management and employees.

Use of proceeds..... The Company expects to receive gross proceeds (excl. over-allotment) of approximately NOK 1,602 million (equivalent to approximately USD 175 million at the Offer Exchange Rate) (net proceeds of approximately NOK 1,511 million, equivalent to USD 165 million at the Offer Exchange Rate), and intends to use such proceeds to capital investments related to further development of the Dussafu licence in Gabon, development of the Maromba discovery in Brazil, new ventures and for other general corporate purposes.

Underwriting The Offering is not underwritten.

Conflicts of interest..... The Managers or their affiliates have provided from time to time, and may provide in the future, financial advisory, investment and commercial banking services, as well as financing, to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a fee in connection with the Offering and, as such, have an interest in the Offering.

2 RISK FACTORS

An investment in the Company and the Shares involves inherent risk. 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 material known risks and uncertainties faced by the Group as of the date hereof, and represents those risks that the Company believes are the material risks relevant to an investor when making their investment in the Company and the Shares. An investment in the Company and the Shares 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 absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision. If any of the following risks were to materialise, individually or together with other circumstances, it could have material and adverse impact 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 Shares, resulting in the loss of all or part of an investment in the same. Additional factors of which the Company is currently unaware, or which it currently deems not to be risks, may also have corresponding negative effects.

The risk factors included in this Section 2 "Risk factors" are presented in a limited number of categories, where each individual risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Group, taking into account their potential negative effect on the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The risks mentioned herein could materialise individually, cumulatively or together with other circumstances.

The information in this Section 2 "Risk factors" is as of the date of this Prospectus.

2.1 Risks related to the industry in which the Group operates

2.1.1 *Developments in the global offshore oil and gas market and decreases in oil and gas prices 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 accounted for 100% of the Group's revenue and income for the nine months ended 30 September 2019. 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 Company'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 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. Continued low prices for oil and gas may also be detrimental to the Group's ability to raise new equity financing or debt 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, licence commitments towards governments or partners or force the Group to terminate e.g. drilling contracts, which may trigger high termination penalties.

Forcing downscaling of investment budgets: 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. The Group's strategy to develop its hydrocarbon fields in phases to allow

the production and the surrounding organisation to grow organically through self-financing and reduced initial capital expenses is dependent on estimates of current and future market conditions, cf. Section 8.3 "Strategy". 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.

The high degree of probability of fluctuations in market conditions and oil and gas prices combined with the material effects any detrimental developments may have on the Company is the reason for presenting this risk first in the category of risks related to the industry in which the Group operates.

2.1.2 Exploration, development, production and related activities involves 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. The Group's exploration operations are subject to all the risks common in its industry. Investors should in particular note:

Ongoing production may be restricted, delayed or terminated: The Group's ongoing production at Dussafu 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 at Dussafu), 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 (as described in Section 8.6.5 "Dussafu") and future, planned drilling campaigns at Maromba and Dussafu are exposed to many of the same risks as the production activities. If any such unexpected events materialise, they could result in environmental damage and injury to persons and loss of life. They could also result in significant delays to drilling programmes, 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 disappointing results.

Consequences of production or drilling difficulties: The abovementioned events could also put at risk some or all of the Group's licences or PSCs which enable it to operate, and could result in the Company 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 above could materially and adversely affect the Group's business, prospects, financial condition and results of operations.

2.2 Risks related to the Group and its business and operations

2.2.1 The estimated volumes of the Company's reserves and resources are by their nature uncertain

The Prospectus includes information relating to the reserves and resources of certain of the Company's assets. Reference is in particular made to Section 8.6 "Overview of the Group's business" in regard to reserves, resources and prospective resources and the explanation provided for these in Section 21.2 "Explanation of technical terms".

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 developments and accordingly the Group's financial planning and future development and investments, and are therefore crucial to the Group's business and results. These market-standard 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 be proven 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. This risk is presented first in this category of risks related to the Group and its business and operations in particular in light of the materiality of the risk.

2.2.2 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 located offshore West Africa and Brazil, which are described in detail in Section 8.6 "Overview of the Group's business". The Group may also invest in other development projects in the future. 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 operating 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, requires 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 for decades.

Further, there is no guarantee that any resources and reserves of hydrocarbons in the Group's current and future assets can be harvested in a commercially and economically viable way. In combination with the fact that oil and gas exploration, development and production requires 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 would have a material effect on the Group's business, prospects, financial condition and results of operation.

2.2.3 The Group faces risks related to decommissioning activities and related costs

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, including the plugging of production wells, 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. No assurance can be provided that the anticipated cost and timing of removal are correct and any deviation from current estimates or significant increases in decommissioning costs relating to the Group's previous, current or future E&P assets may have a material adverse effect on the Company.

2.2.4 The Group is dependent on the performance of the Dussafu licence

The Group's production operations are currently limited to the production at the Tortue field in the Dussafu licence, which is currently the Group's only source of revenue. Any interruption in the production at Dussafu 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 realise its business plan. Such events would have a material effect on the Group's business, prospects, financial condition and results of operation.

The Dussafu field is developed with and produced through the BW Adolo FPSO. Any downtime, damages or unforeseen interruptions on the FPSO or other critical infrastructure can 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 one location and with more than one production unit.

2.2.5 The Group operates in developing countries with political, economic and social uncertainties

The Group participates in oil and gas projects in emerging economies, including in West Africa 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 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. In recent history, there have been several attempted coups in Gabon, where the Group has its only producing asset (Dussafu). 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 can be no assurance that the Group will be able to obtain all necessary licenses and permits when required.

2.2.6 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 (*Source: Transparency International's Corruption Perception Index (2018)*), which implies that these countries are perceived as jurisdictions where there is a higher risk of corruption. The production sharing contracts and licences 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 non-compliance 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. The Group has put in place internal regulations and contractual commitments to mitigate such risks. However, 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.

2.2.7 The Group relies on cooperation and participation by various partners

The Group has partners in all 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 for instance for some time been in discussions and negotiations with NAMCOR regarding their joint ownership of the Kudu licence, see Section 8.6.7 "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.

2.2.8 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. Production at Dussafu 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.

2.2.9 Limited operating history as a stand-alone group

The Group has a limited history as a stand-alone business after having been separated from BW Offshore in 2019. Although the staff and Management of the Group and board of directors of the Company are experienced and capable, the limited operating history exposes the Group to certain significant risks that may have a material impact on the Group's performance, results and operations. These factors include, but are not limited to, quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the Company or its competitors of significant contracts, acquisitions or strategic relationships, publicity about the Group, its products and services or its competitors, lawsuits against the Group, unforeseen liabilities, changes in management, changes to the regulatory environment in which it operates or general market conditions, or any other risk discussed herein materialising or the anticipation of such risk materialising.

The Group's lack of operating history as a stand-alone business also makes it difficult to assess the historical performance and outlook for future revenues and other operating results. The financial information upon which prospective investors may evaluate the BW Energy Group's historical financial information is available only from the Financial Information (as defined in Section 4.2.1 "Financial information") that the Company has included in this Prospectus and that reflects the activities of the BW Energy Group's business prior to the Offering. The methodology and assumptions for the preparation of the Financial Information are discussed in Note 2 and 3 of the Combined Financial Statements. Consequently, the Financial Information included in this Prospectus does not necessarily reflect the actual results of operations, financial position and cash flow that the Group would have had if it had been a stand-alone E&P company during the periods presented. Similarly, the information may not be indicative of the Group's future results of operations, financial position and cash flow.

2.2.10 The Group's E&P licences are for fixed terms of a limited duration

Licences 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 licences where it is considered to be in the best interest of the Group. However, for instance with respect to the Dussafu licence, the Group is not the only stakeholder in the licence. There is no guarantee that the other stakeholders will share the Group's assessment of whether an extension of the licence 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 PSCs or licences 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 licence 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 to Maromba, the Group plans to seek an extension of the licence. However, the Brazilian regulatory authorities have the discretionary right to decide whether or not to approve such request for extension. For more details, please refer to Section 8.6.6 "Maromba" and Section 8.15.3 "Brazil (Maromba)".

2.2.11 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 or parties related to BW Offshore, such as the service agreement and FPSO agreement described in Section 13 "Related party transactions". As set out in Section 8.14 "Dependency on contracts, patents, licences, intellectual property etc.", the Group is dependent on the FPSO contract 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 FPSO 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 favourable terms than the current terms of the arrangements with BW Offshore. Accordingly, a conflict of interest may have a material adverse effect on the Group's business and operating results.

2.2.12 Financial risks to which the Group is particularly exposed

The functional currency of the Group and most of its subsidiaries is USD. The Group is exposed to expenses incurred in currencies other than USD (foreign currencies), the major currencies being Norwegian Kroner (NOK), Singapore Dollars (SGD), Brazilian Reals (BRL), Euro (EUR), Central African Franc (CFA) and Namibian dollars (NAD). Operating expenses denominated in NOK, SGD, 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, 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 recognised in the balance sheet and expected purchases and sales in the currency in question.

2.2.13 The Group is exposed to the risk of cybercrime and disruptions, failures and security breaches of its information technology systems

The Group relies information technology systems and applications to conduct its production and drilling activities, as well as to collect and interpret geological data. Disruption, failure or security breaches of these systems and applications could disrupt the Group's production and development activities, which may result in decreased performance, significant remediation costs, down-time, data loss and failure to deliver oil to the Group's customers. This could materially and adversely affect its business, cash flow and results of operations. Disruptions may be caused by natural disasters, catastrophic events and other events outside the Group's control and which it is difficult or impossible to prevent or prepare for. Any of the foregoing could have a material adverse effect on the Group's business, results of operations and financial condition.

2.2.14 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. 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, 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 or all of the Group's insurance coverage may become unavailable or prohibitively expensive. Further, any uninsured loss or liabilities, or any loss and liability exceeding the insured limits, may have a material adverse effect on the Group.

2.3 Risks related to laws, regulations and litigation

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

The Group's activities, in particular in Namibia and Gabon, are subject to a legal framework and policies that is still under development, and future 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. Under the current legal framework described in 8.15 "Applicable laws and regulations", the Group is required to obtain and maintain certain governmental licences and approvals, and the process of obtaining such licences may be difficult or time consuming. Further, there can be no guarantee that the Group is able to obtain such necessary licences and approvals.

As the legal framework and systems in some of the jurisdictions in which the Group operates are still young 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 young and developing 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. In particular changes in applicable tax laws and regulations 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. The Group's legal protection and ability to exercise or enforce its rights and obligations in these jurisdictions may also change relatively quickly.

The high probability of changes to laws and regulations in the jurisdictions where the Group has activities, combined with the potentially material and unpredictable effects of such changes, is the reason for placing this risk first in the category of risks related to laws, regulations and litigation.

2.3.2 *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 has 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 only has three licences, and only the Dussafu licence is in production. The limited extent of the Group's production and income-bringing activities entails that the Group is particularly exposed to the consequences of such events.

2.3.3 *Lawsuit filed by the Workers' Party against sales of assets by Petrobras which could negatively impact the Group's ownership interest in the Maromba licence*

The Group acquired 70% of its ownership interest in Maromba from Petrobras. Petrobras is involved in a dispute with the Brazilian Workers' Party ("**PT**") in which PT has challenged the validity and applicability of the Brazilian federal decree that established the legal basis for Petrobras' sale of, *inter alia*, Maromba. The dispute is described in further detail in Section 8.10.3 "Potential consequences of Petrobras' dispute with the Brazilian Workers' Party". If the Brazilian courts' ruling finds the Decree to be invalid, the Group's acquisition of Petrobras' ownership interest in the Maromba licence may as a consequence be found to be invalid. Both the Group and Petrobras have the option to terminate the transaction agreement on certain conditions if such a ruling is passed. An unfavourable ruling in this regard could accordingly materially affect the Group's business and prospects, and may lead to write-downs on the value of the Group's assets relating to Maromba.

2.3.4 *Recent changes in the Brazilian "special participation" regulations may affect the Group*

The "special participation" is an extraordinary financial compensation (wind-fall tax) payable by an E&P operator/owner in the event that a high volume of oil or natural gas are produced, or a certain field otherwise enjoys high profitability. In recent years, controversy has stricken the industry regarding the special participation because the ANP released Resolution No. 25/2013, which provides for a broader concept to the term "field", pursuant to which two or more geologically separate fields may be grouped as a single field based upon broad criteria, and, consequently, more easily trigger the obligation to pay special participation. The ANP has considered fields of the same cluster and (yet not subject to unitization) with the same concessionaires as ring fenced for special participation purpose. As there are other hydrocarbon fields very close to Maromba field, the ANP may try to unify their productions for special participation purposes, therefore, impacting the economics of the project. This entails a regulatory and financial risk to the Maromba project, as the Group may become obligated to pay special participation, which may materially affect the business, operations, financial results and prospects of the Group, as well as the value of the Group's assets.

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

In 2000, the International Monetary Fund ("**IMF**") and the Central Africa Economic and Monetary Commission ("**CEMAC**") implemented foreign currency controls in the CEMAC area which, *inter alia*, included provisions regarding repatriation of foreign currency from sale of oil to local currency, Central African Francs (CFA), and controls on access to foreign currency. The Group's operations in Gabon are, in principle, covered by the restrictions, but has so far not suffered any significant impact from the restrictions. However, the provisions from 2000 were only to a limited degree enforced by

the commercial banks in the CEMAC area, and the Dussafu production sharing contract allows the Group (as operator) to freely move foreign currency in and out of Gabon.

Then, in December 2018, IMF and CEMAC renewed the provisions, and commercial banks are now enforcing them to a wider extent. The foreign currency restrictions require special approvals on the opening of new and existing foreign currency accounts outside of the CEMAC area which may be granted for a period of up to a two years and subject to renewals, also for opening foreign currency accounts in the CEMAC area, prohibition of foreign currency withdrawals inside CEMAC area, requirements for all loans to be declared with the local central bank and there is a risk of forced conversion to CFA of funds held in USD in so-called "abandonment fund reserve" accounts (RES accounts). 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 and repay or refinance any future loan agreements, which would entail extensive documentation and fee requirements and increased administrative burdens on the Group's operations in Gabon, and the directors of group companies that fail to comply may be subject 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 in the CEMAC area.

With respect to potential restrictions on the payment of dividends from the Group's subsidiaries in Gabon, it should be noted that the Company is a holding company and is dependent upon cash flow from subsidiaries to meet its obligations and in order to pay dividends to its shareholders. Any restrictions on cash flow from the Company's subsidiaries could materially affect the Company's cash flow, financial condition and ability to distribute dividends.

2.3.6 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 ("**ECOFIN**")) to maintain a substantial economic presence in Bermuda and to satisfy economic substance requirements set by ECOFIN. The list of "relevant activities" includes, *inter alia*, headquarters and holding entities. At present, it is unclear what (if anything) the Company would be required to do in order to satisfy economic substance requirements in Bermuda. However, to the extent the Company is required to increase its substance in Bermuda to satisfy such requirements, it could result in additional costs that could adversely affect the Company'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 (the "**EU**"), financial penalties, restriction or regulation of the Company's business activities and/or may be struck off as a registered entity in Bermuda.

2.4 Risks related to the Shares, the Offering and the Listing

2.4.1 There is no existing market for the Shares, and an active and liquid trading market may not develop

Prior to the Listing, there is no public market for the Shares, and there can be no assurance that an active trading market will develop, or be sustained or that the Shares may be resold at or above the Offer Price. The Offer Price will be determined by way of the bookbuilding process. There can be no assurance that the Offer Price will correspond to the price at which the Shares will be traded on the Oslo Stock Exchange after the Listing and that, following the Listing, liquid trading in the Shares will develop and become established. Investors may not be in a position to sell their Shares quickly or even at the market price if there is no active trading in the Shares. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following the completion of the Offering and the Listing.

2.4.2 Shareholders do not have the same preferential rights in future offerings in the Company as shareholders in Norwegian limited liability companies, which increases the risk that future issuances of Shares or other securities may dilute the holdings of Shareholders

The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects (e.g. drilling campaigns, development and acquisitions), in connection with unanticipated liabilities or expenses or for any other purposes. As the Company is a Bermuda limited company, shareholders do not have the same preferential rights in a future offering in the Company as shareholders in Norwegian limited liability companies listed on the Oslo Stock Exchange normally have. Depending on the structure of any future offering, certain existing shareholders may therefore not be able to purchase additional equity securities, meaning that these shareholders' holdings and voting interest may be diluted.

2.4.3 BW Group and BW Offshore have significant voting power and the ability to influence matters requiring shareholder approval

BW Group Limited ("**BW Group**") and BW Offshore are expected to remain the largest holder of Shares (holders of registered Shares being the "**Shareholders**"), thereby having the ability to significantly influence the outcome of matters

submitted for the vote at General Meetings, including the election of directors to the Board of Directors. The commercial goals of BW Group and BW Offshore as Shareholders, and those of the Group, may not always be aligned, and this concentration of ownership may not always be in the best interest of BW Energy's other Shareholders. For example, BW Group/BW Offshore could delay, defer or prevent a change of control, impede a merger, deny a potential future equity offering, amalgamation, consolidation, takeover or other business combinations involving the Group, or discourage a potential acquirer from attempting to obtain control of BW Energy. Although it is expected that BW Group/BW Offshore will remain material Shareholders of the Company, no assurance can be given that this will continue on a permanent basis. If BW Group/BW Offshore no longer were major Shareholders of the Company, or if their commercial goals were not in the best interest of the Group, this could have a material adverse effect on the market value of the Shares.

2.4.4 The limited free float of the Shares may have a negative impact on the liquidity of and market price for the Shares

It is expected that the free float of the Company's shares following completion of the Offering and the BW Offshore Dividend Distribution, will be in the range between approximately 24.2% and 25.6% of the shares in the Company, depending on the final Offer Price and the number of Shares distributed in the BW Offshore Dividend Distribution, and assuming that the Greenshoe Option is not exercised. If the Greenshoe Option is exercised in full, the free float is expected to be in the range between approximately 26.3% and 27.7%. This may have a negative impact on the liquidity of the Shares and result in low trading volumes. The degree of liquidity of the securities may negatively impact the price at which an investor can dispose of the securities where the investor is seeking to achieve a sale within a short timeframe.

2.4.5 Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK

The Shares will be priced and traded in NOK on the Oslo Stock Exchange and, although any future payments of dividends on the Shares will be denominated in USD, such dividends will be distributed through the VPS in NOK. Further, a material part of the Group's assets and earnings are denominated in USD. Consequently, exchange rate movements will affect the value of dividends and distributions for investors whose principal currency is not NOK, as well as the value of the Group's assets and earnings.

This entails that both the Company and the Shareholders are exposed to exchange rate fluctuations, and that negative exchange rate developments may, especially over time, materially and adversely affect the value of the Shares and the Group.

3 RESPONSIBILITY FOR THE PROSPECTUS

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

The Board of Directors of BW Energy Limited accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that, after having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

29 January 2020

The Board of Directors of BW Energy Limited

Andreas Sohmen-Pao
Chairman

Marco Beenen
Director

William Russell Scheirman II
Director

Tormod Vold
Director

4 GENERAL INFORMATION

4.1 Other important investor information

The Prospectus has been approved by the Financial Supervisory Authority of Norway, as competent authority under Regulation (EU) 2017/1129. The Financial Supervisory Authority of Norway only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Company has furnished the information in this Prospectus. No representation or warranty, express or implied is made by the Managers 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 Managers assume no responsibility for the accuracy or completeness or the verification of this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

The Managers are acting exclusively for the Company and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus which may affect the assessment of the Offer Shares and which arises or is noted between the time when the Prospectus is approved by the NFSA and the listing of the Shares on the Oslo Stock Exchange, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Offer Shares, 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.

No person is authorised to give information or to make any representation concerning the Group or in connection with the Offering or the sale of the Offer Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates, representatives, advisers or selling agents of any of the foregoing.

Neither the Company nor the Managers, nor any of their respective affiliates, representatives, advisers or selling agents, is making any representation, express or implied, to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares. 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 Offer Shares.

In connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such Offer Shares or related investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in the Prospectus to Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to any of the Managers or any of their respective affiliates acting in such capacity. In addition, certain of the Managers or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Managers (or their affiliates) may from time to time acquire, hold or dispose of Shares. None of the Managers intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Investing in the Shares involves a high degree of risk. See Section 2 "Risk factors" beginning on page 14.

4.2 Presentation of financial and other information

4.2.1 Financial information

The financial information contained in this Prospectus related to the Group has been derived from BW Energy Group's audited combined financial statements as at, and for the years ended, 31 December 2018, 2017 and 2016 (the "**Combined Financial Statements**") and BW Energy Group's unaudited condensed combined interim financial information as at, and for the nine month periods ended, 30 September 2019 and 2018 (the "**Condensed Combined**").

Interim Financial Information"). The Company was incorporated on 22 May 2019 and certain companies in the Group became part of the Group during 2019. Thus, the Combined Financial Statements and the Condensed Combined Interim Financial Information are the combined financial statements of the BW Energy Group (as defined in Section 21.1 "Definitions" and in the Combined Financial Statements and Condensed Combined Interim Financial Information incorporated by reference hereto, cf. Section 20.4 "Incorporation by reference"), which for the period up until 31 December 2018 does not include the Company, BW Energy Maromba B.V and BW Maromba Holdings Pte Ltd.

The financial information contained in this Prospectus related to the Company has been derived from the Company's audited statement of financial position as of 30 September 2019 (the "**Statement of Financial Position**").

The Combined Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("**IFRS**"), while the Condensed Combined Interim Financial Information have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU ("**IAS 34**"). The Company's Statement of Financial Position has been prepared in accordance with IFRS.

The Combined Financial Statements and the Condensed Combined Interim Financial Information are together referred to as the "**Financial Information**". The Financial Information and the Statement of Financial Position are incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

The Company's acquisition of BW Energy Holding Pte Ltd, as described in Section 13.6.4.1 "BW Energy's acquisition of Dussafu", represented a "significant gross change" as defined in the EU Prospectus Regulation for the Company as the transaction increased the gross assets of the Company by more than 25%. The acquisitions of BW Kudu Holding Pte Ltd. and BW Maromba Holdings Pte Ltd. are not considered to represent such change. As the Combined Financial Statements fully reflect the activities that have been under the Company's common control and that are owned by the Company on the date of the Prospectus, the Company is of the view that there is no need include pro forma financial information relating to the acquisitions in the Prospectus.

4.2.2 *Alternative performance measures*

To enhance the understanding of the Group's performance, the Group has presented an alternative performance measure ("**APM**") in this Prospectus. An APM is defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA guidelines on APMs as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the relevant accounting rules (IFRS).

It is the Company's view that the APM provides the investors relevant and specific operating figures which may enhance their understanding of the Company's performance. The Company uses the following APM:

- Capital expenditures

Capital expenditures means investments in E&P assets, intangible assets and property and other equipment, including capitalised interest and asset retirement obligations. Capital expenditure may differ from investment in operating fixed assets and intangible assets presented in the Combined Statements of Cash Flows, as capital expenditure may also contain non-cash transactions.

The APM presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) total revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Company's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APM financial measures presented herein may not be indicative of the Company's historical operating results, nor are such measures meant to be predictive of the Company's future results. The Company believes that the APM measures presented herein are commonly reported by companies in the markets in which it 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 (particular when acquisitions have occurred), business practice or based on non-operating factors. Accordingly, the Company discloses the APM financial measures presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods, and of the Company's ability to service its debt. Because companies calculate the APM financial measures presented herein differently, the Company's presentation of these APM financial measures may not be comparable to similarly titled measures used by other companies.

4.2.3 Currencies

In this Prospectus, all references to "NOK" are to the lawful currency of Norway, all references to "USD" or "U.S. Dollar" are to the lawful currency of the United States, all references to "BRL" are to the lawful currency of Brazil, all references to "GBP" are to the lawful currency of the United Kingdom, all references to "SGD" are to the lawful currency of Singapore, all references to "CFA" are to the lawful currency of Gabon, all references to "NAD" are to the lawful currency of Namibia, and 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. No representation is made that the NOK, USD, BRL, GBP, SGD, CFA, NAD or EUR amounts referred to herein could have been or could be converted into NOK, USD, BRL, GBP, SGD, CFA, NAD or EUR as the case may be, at any particular rate, or at all. The Financial Information is published in USD.

4.2.4 Exchange rates

The following table sets forth, for the previous four years as indicated, information regarding the average, high and low, reference rates for NOK, expressed in NOK per USD, in each case rounded to the nearest three decimal places, based on the daily exchange rate announced by the Central Bank of Norway:

Fiscal year	Average	High	Low	Period end
2016.....	8.3987	8.9578	7.9766	8.6200
2017.....	8.2630	8.6781	7.7121	8.2050
2018.....	8.1338	8.7631	7.6579	8.6885
2019.....	8.8037	9.2607	8.4108	8.7803

No representation is made that the NOK amounts have been or could have been converted into USD, or vice versa, at the exchange rates indicated in the tables above or any other exchange rate.

4.2.5 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.

4.3 Industry and market data

In this Prospectus, the Company has used industry and market data obtained from independent industry publications, market research and other publicly available information. These include BP Statistical Review of World Energy and Bloomberg. While the Company has compiled, extracted and reproduced industry and market data from external sources, the Company has not independently verified the correctness of such data. The Company cautions prospective investors not to place undue reliance on the abovementioned data. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Group's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company 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, by source references to websites the websites shall not be deemed as incorporated by reference to 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 Company 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 Company cautions prospective investors not to place undue reliance on the above mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Company's competitive position are based on the Company's own assessment and knowledge of the market in which it operates.

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 Group'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.

4.4 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Company'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", "should", "projects", "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 in the following Sections in this Prospectus, Section 6 "Dividends and dividend policy", Section 7 "Industry and market overview", Section 8 "Business of the Group", Section 10 "Selected financial and other information" and Section 11 "Operating and financial review", and include statements regarding the Company'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.

Prospective investors in the Shares 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 Company 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. The risks that are currently known to the Company and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to:

- fluctuations in the prices for oil and gas;
- a deterioration in global economic conditions;
- uncertainty in estimation of reserves;
- the Company is a holding company and is dependent on cash flows from its subsidiaries;
- the Group's lack of diversification;
- the Group may experience operational problems;
- civil, political and military unrest in the areas in which the Group operates;
- failure by counterparties or partners to meet their obligations;
- disruption, failure or security breaches of information technology and other operating systems;
- the Group may fail in attracting and retaining key management personnel and other employees;
- the Group may not be able to implement its business strategy successfully or manage its growth effectively;
- political, governmental, social, legal and regulatory changes;
- inadequacy of the Group's insurance to cover the Group's losses;
- litigation or other disputes;
- the Group's financing and related risks;
- unavailability of required additional capital;
- significant exchange or interest rate fluctuations;
- the Listing and related risks.

The risks that are currently known to the Company 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, including the information set out under Section 2 "Risk factors", identifies additional factors that could affect the Group's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all Sections of this Prospectus and, in particular, Section 2 "Risk factors" 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 Company.

These forward-looking statements speak only as at the date on which they are made. The Company 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 Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5 REASONS FOR THE OFFERING AND THE LISTING

The Company's reasons for the Offering are to raise capital to finance the Group's ongoing and future oil and gas projects. The Group currently intends to invest in further phases of development at the Dussafu block with phase 2 at the Tortue field and development of the Ruche Area, and intends to use part of the proceeds from the Offering for such capital investments. In Brazil, the Group intends to sanction the Maromba development when the necessary government approvals are obtained. It is not possible at this stage to provide a detailed allocation of use of proceeds from the Offering due to the fact that such allocation of proceeds will depend on timing of the project sanctions in the future, underlying cash flow in the Group, the costs related to the execution of projects, projected debt funding and the priorities made by the Group in relation to execution of projects. In addition, it will be dependent on the execution of new business development opportunities going forward. However, the Company intends to use around USD 150 million of the proceeds from the Offering towards capital investments in connection with Dussafu and Maromba.

The reasons for the Listing are to:

- enable access to a wider investor universe for the Company's shares;
- create liquidity for trading of the shares in the Company and obtain market valuation of the Group;
- increase transparency of the E&P business currently consolidated under BW Offshore which has its principle business in operating FPSOs;
- diversify the shareholder base;
- facilitate the use of Shares as consideration in M&A transactions and provide access to capital markets;
- enhance the Company's profile with investors, business partners, governments, suppliers and customers; and
- further enhance the ability of the Group to attract and retain key management and employees.

The gross proceeds from the sale of the Offer Shares (excl. over-allotment) are expected to amount to NOK 1,602,247,500 (equivalent to USD 175 million at a NOK/USD exchange rate of 9.1557 (the "**Offer Exchange Rate**")) set by the Central Bank of Norway on 28 January 2020. The net proceeds (excl. over-allotment) are expected to amount to NOK 1,511 million (equivalent to USD 165 million at the Offer Exchange Rate), based on estimated total transaction costs of approximately USD 10 million (equivalent to NOK 91.6 million at the Offer Exchange Rate) related to the Shares and all other directly attributable costs in connection with the Listing and the Offering to be paid by the Company.

BW Offshore and BW Group intend to remain long-term shareholders in the Company and are entering into lock-up undertakings in connection with the Offering, see Section 17.18 "Lock-up".

6 DIVIDENDS AND DIVIDEND POLICY

6.1 Dividend policy

The Company targets a dividend based on a pay-out ratio of 50% of annual net profit, adjusted for extraordinary items. The final amount of dividend is to be decided by the Board of Directors. In deciding whether to declare dividends and in determining the amount of any dividend, the Board of Directors will take into account the Group's financial condition, capital requirements, including capital expenditure commitments, general business conditions, legal restrictions as set out in Section 6.2 "Legal and contractual constraints on the distribution of dividends", and any restrictions under borrowing arrangements or other contractual arrangements in place at the time.

There can be no assurance that a dividend will be declared in any given year. If a dividend is declared, there can be no assurance as to the continuity of the dividend amount or yield over time.

No dividends have been distributed to the shareholders of the Company from its incorporation until the date of this Prospectus.

6.2 Legal and contractual constraints on the distribution of dividends

A Bermuda company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the company's assets would thereby be less than its liabilities. "Contributed surplus" is defined for purposes of section 54 of the Bermuda Companies Act to include the proceeds arising from donated shares, credits resulting from the redemption or conversion of shares at less than the amount set up as nominal capital and donations of cash and other assets to a Bermuda company. Under the Bye-laws, the Board of Directors may declare dividends and distributions without shareholder approval. Further, the Company's subsidiaries may be subject to applicable legal constraints on the distribution of dividends in the jurisdiction in which they are incorporated, such as sufficiency of distributable reserves.

The Group is in negotiations regarding a loan facility pertaining to the operations at Dussafu. The loan is expected to be a reserve based loan facility (RBL) which, *inter alia*, may impose restrictions on the distribution of dividends from BW Energy Gabon S.A., which is the company holding the Group's ownership interest in the Dussafu licence, to the Company.

6.3 Manner of dividend payments

Although any future payments of dividends on the Shares will be denominated in USD, such dividends will be distributed through the VPS in NOK. Any dividend will be paid to the Shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied their VPS-account operator with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant Shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the Shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those Shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

7 INDUSTRY AND MARKET OVERVIEW

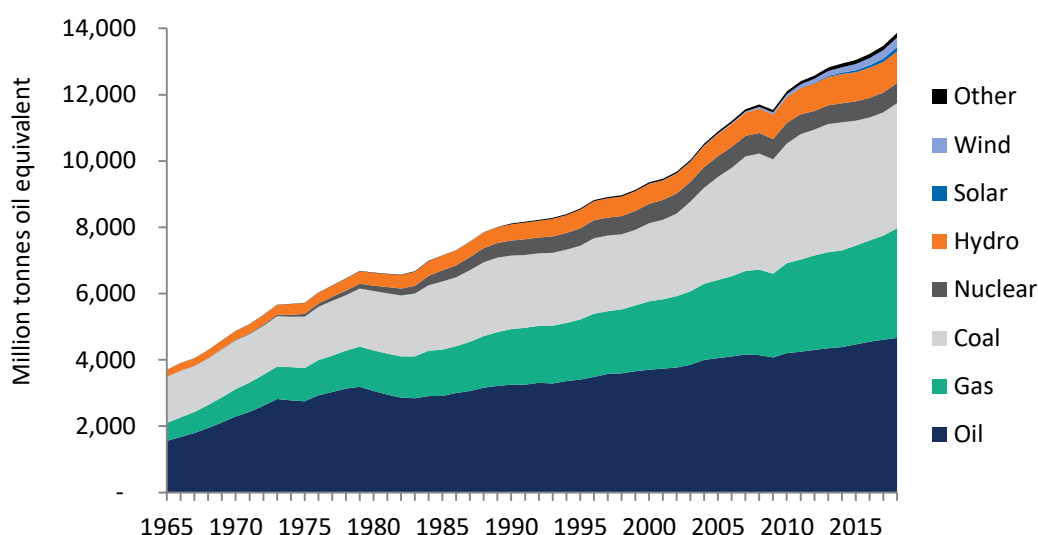
This Section discusses the industry in which the Group operates. Certain parts of the information in this Section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled by professional organisations, consultants and analysts. In addition to market data from other external and publicly available sources, and the Company's knowledge of the markets, see Section 4.3 "Industry and market data". The following discussion contains forward-looking statements, see Section 4.4 "Cautionary note regarding forward-looking statements". Any forecast information and other forward-looking statements in this Section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences, see Section 2 "Risk factors" for further details.

7.1 The global energy market

World energy consumption has steadily increased since the industrial revolution, a trend which is expected to continue in the medium term. Fossil fuels continue to supply around 85 percent of the world's energy. Oil is the largest energy source, meeting 34 percent of the world's energy consumption, while natural gas accounts for 24 percent and coal for 27 percent.

The world consumption of primary energy, including oil, natural gas, coal, nuclear, hydro power and other renewable energy, increased by 2.9 percent in 2018. Global oil consumption increased by 1.4 million barrels per day or 1.5 percent in 2018.

Figure 7.1 – Total world energy consumption 1965-2018 – distribution by fuel



Source: BP Statistical Review of World Energy June 2019.

7.2 Overview of the oil market

7.2.1 Oil consumption

Oil is a common description of hydrocarbons in liquid form. Crude oil produced from different oil fields varies greatly in composition, and the composition and distribution of hydrocarbon components determines the weight of the oil, with light crude oil having a higher percentage of light hydrocarbons than heavier oil. Light oil requires less refinement to be usable and is therefore typically more valuable than heavy oil.

Oil is well-suited for storage and transportation and is transported over long distances in large crude oil tankers or pipelines. Because of this, oil is a commodity with a well-developed global market. The prices are determined on the world's leading commodities exchanges, with New York Mercantile Exchange ("**NYMEX**") in New York and the Intercontinental Exchange ("**ICE**") in London as the most important markets for the determination of global oil prices. Relative oil price differentials are primarily determined by the weight of the oil and its sulphur content, with WTI, the main benchmark for NYMEX, as the lightest and sweetest (lowest in sulphur) of the main benchmarks in oil pricing. Brent crude, the main benchmark for ICE, is slightly heavier.

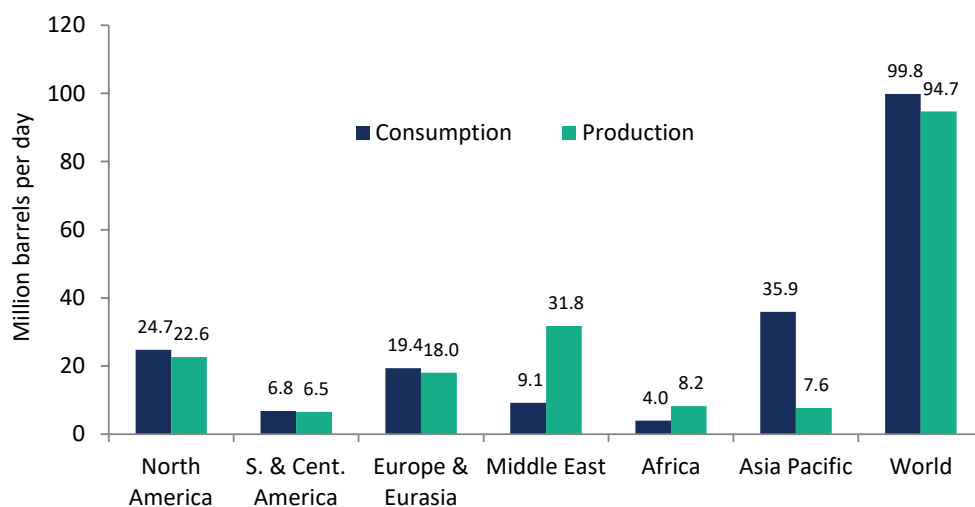
Crude oil is used for a variety of purposes, the most important being the production of energy rich fuels, with approximately 70 percent of hydrocarbons being used for gasoline, diesel, jet fuel and other fuel oils. The remaining hydrocarbons are used as raw material for many chemical products, including pharmaceuticals, solvents, fertilizers, pesticides and plastics.

7.2.2 Oil production, consumption and reserves

World oil consumption in 2018 was approximately 99.8 million barrels per day, of which Asia Pacific, North America and Europe including Eurasia (most importantly, Russia) accounted for approximately 36 percent, 25 percent and 19 percent, respectively. Consumption in the Middle East was about 9 percent of the world total consumption.

The Middle East is the world's largest oil producing region, accounting for 34 percent of the world total. North America is second behind the Middle East, accounting for 24 percent, followed by Europe and Eurasia with 19 percent. Despite being the largest consuming region, oil production in Asia Pacific accounts for only 9 percent of total world production.

Figure 7.2.2 (a) – World oil consumption and production by region, 2018

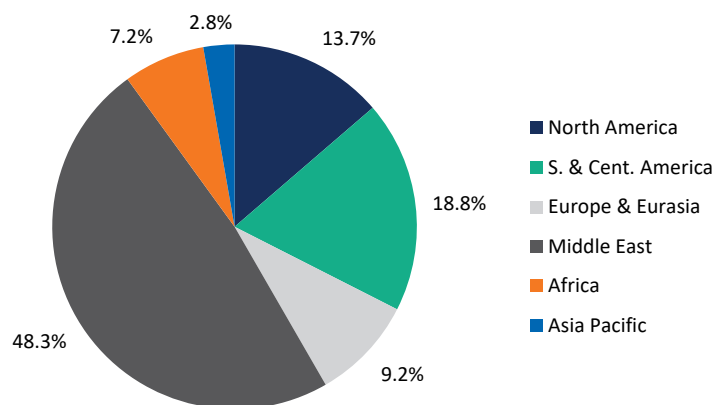


Source: BP Statistical Review of World Energy June 2019.

Worldwide proven oil reserves stood at an estimated 1,730 billion barrels at the end of 2018, sufficient to meet some 50 years of global production at 2018 production levels.

The members of OPEC together held 71.8 percent of total global reserves in 2018. OPEC includes the largest Middle East oil producers, namely Iran, Iraq, Kuwait, Saudi Arabia and the UAE, in addition to Algeria, Angola, Congo, Equatorial Guinea, Libya, Nigeria, Gabon, Ecuador, and Venezuela. OPEC has historically played the role of swing producer in the global oil market and its decisions have had considerable influence on oil supply availability and thus international oil prices.

Figure 7.2.2 (b) – Distribution of proven world oil reserves 2018



Source: BP Statistical Review of World Energy June 2019.

7.2.3 The oil price

Oil prices were close to all-time highs for most of 2011, 2012, 2013 and the first half of 2014, with Brent oil trading within a USD 100-125/bbl range most of the time. However, during the second half of 2014, oil prices declined steeply and in 2015 Brent averaged USD 54/bbl. Towards the end of 2015 and into 2016, oil prices decreased further, and Brent reached a low of USD 28/bbl in January 2016. Since then, prices have recovered substantially with Brent averaging USD 55/bbl in 2017, USD 72/bbl in 2018. After a decline towards the end of 2018, oil prices recovered in 2019 with Brent trading at USD 64/bbl as the average for the year. In the beginning of January 2020, the tension between Iran and USA escalated whereas oil prices traded up above USD 70/bbl before it eased back to around USD 65/bbl as the situation was somewhat de-escalated from both sides.

As evidenced by the price changes in recent years, the oil price is highly dependent on the current and expected future supply and demand of oil. As such, it is influenced by global macroeconomic conditions and may experience material fluctuations on the basis of economic indicators and material economic events as well as geopolitical events. Historically, oil prices have also been heavily influenced by organisational and national policies, most significantly the formation of OPEC and subsequent production policies announced by the organisation. The figure below shows Brent oil price development from 1 January 2000 to 10 January 2020.

Figure 7.2.3 – Brent oil price, daily from 1 January 2000 to 10 January 2020



Source: Bloomberg oil price data.

7.3 Overview of the global gas market

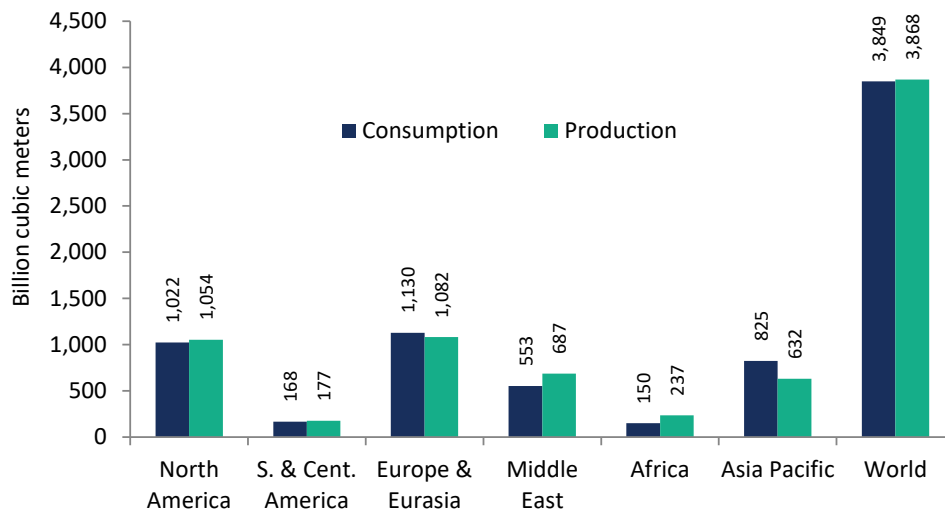
7.3.1 Introduction

Natural gas is typically colourless, odourless and non-toxic at ambient temperatures. It can be found in onshore and offshore reservoirs, either as associated gas in crude oil or condensate or alone as non-associated gas. Natural gas is composed primarily of methane, but may also contain ethane, propane and heavier hydrocarbons. Small quantities of nitrogen, oxygen, carbon dioxide, sulphur compounds and water can also be found in natural gas. It is often termed a premium commodity for its value as both an energy source and as a feedstock for petrochemical products, and because it is relatively clean-burning. As a result, natural gas is used in a variety of ways: for home and business heating, electric power generation, the manufacture of petrochemical products ranging from plastics to fertilizers and intermediate materials, and as a vehicle fuel.

7.3.2 Gas production, consumption and reserves

In 2018, total world consumption of gas was approximately 3,849 billion cubic meters ("bcm") of which Europe and Eurasia, North America and Asia Pacific accounted for approximately 29 percent, 27 percent and 21 percent, respectively. Consumption of gas in the Middle East was approximately 553 bcm in 2018, representing approximately 14 percent of the world total. Production in the Middle East exceeds consumption by 134 bcm.

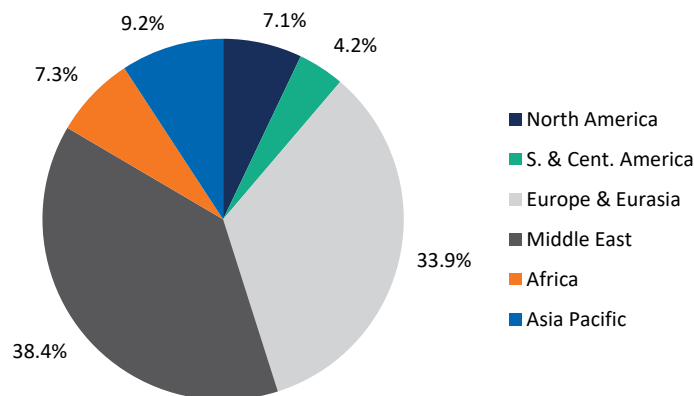
Figure 7.3.2 (a) – World gas consumption and production by region, 2018



Source: BP Statistical Review of World Energy June 2019.

Total world proven gas reserves stood at approximately 197 trillion cubic meters at the end of 2018. These reserves are sufficient to meet approximately 51 years of global gas production at 2018 levels. Approximately 38 percent of total world proven gas reserves are located in the Middle East, while Europe and Eurasia contain 34 percent (of which the majority is in Russia and Turkmenistan).

Figure 7.3.2 (b) – Distribution of proven world gas reserves, 2018



Source: BP Statistical Review of World Energy June 2019.

7.3.3 The gas prices

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.

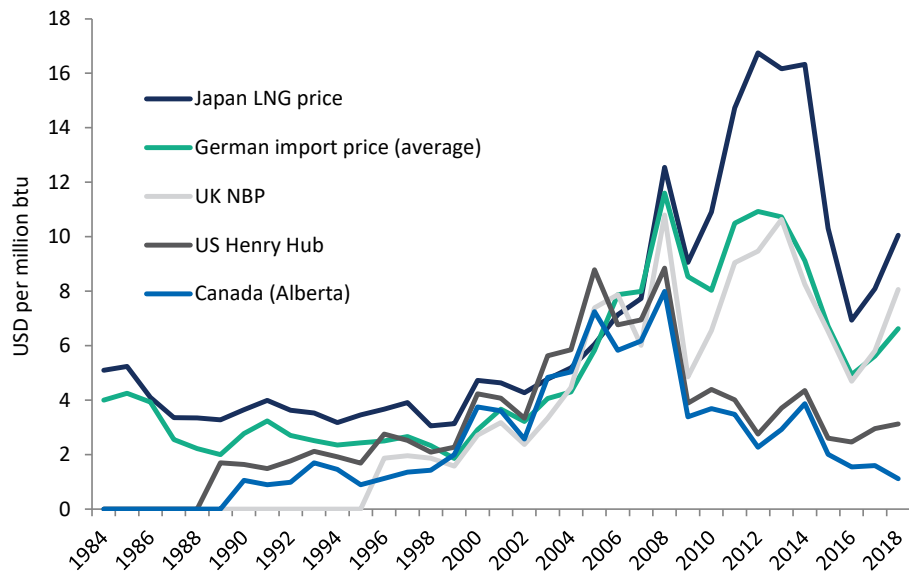
Gas price volatility is significantly higher than oil price volatility. This is primarily due to the fact that gas is more difficult to store than oil, meaning that gas prices are affected by immediate supply and demand within pipeline networks.

Three broad pricing mechanisms exist for gas. The first, mostly seen in international trade and in long-term contracts, involves linking gas to either crude or petroleum product prices. The second pricing mechanism is regulated pricing in domestic markets where governments set fixed prices usually reflecting production and transportation costs. The final mechanism is competitive pricing whereby trading points, often called hubs, are established in major markets and price is determined by supply and demand at these hubs. The gas market in the U.S. is largely deregulated. There are multiple trading points across the U.S. and Canada, but the most active point is the Henry Hub in Louisiana. In Europe, gas has historically been traded under long-term contracts with pricing linked to diesel and heavy fuel. In recent years, however, an increasing share of European gas volumes have shifted from oil based to hub-based pricing, where gas supply demand

dynamics determine the price. Several trading hubs for gas have been established, the most active of which is the National Balancing Point (NBP), in the United Kingdom.

Oil-linked pricing has been prevalent in Asia, where large volumes of gas have been imported in liquefied form under long-term contracts.

Figure 7.3.3 – Historical gas prices 1984 - 2018



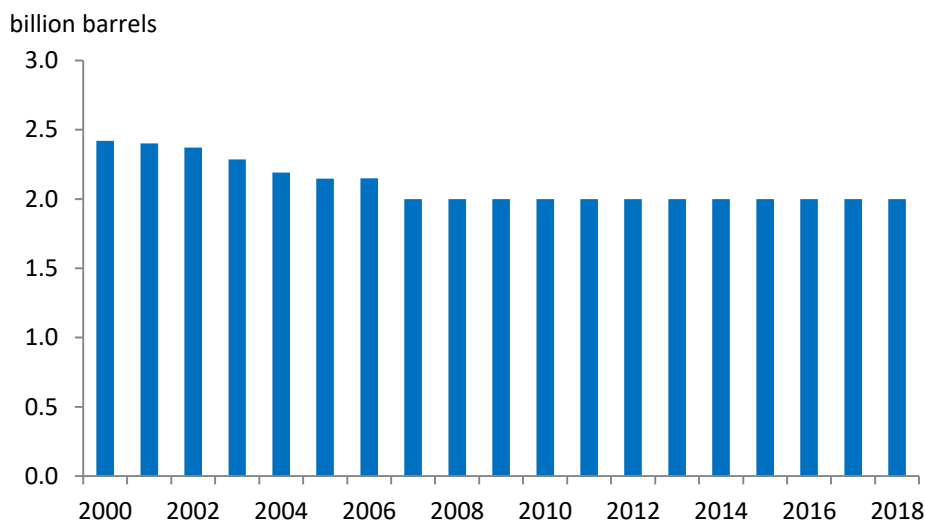
Source: BP Statistical Review of World Energy June 2019.

7.4 Overview of the Group's countries of operation

7.4.1 Gabon

At year-end 2018, Gabon had 2 billion barrels of proven oil reserves. The country has been facing declining output for more than a decade, due to mature oil fields and the lack of finding new reserves. Total production in 2018 was 194,000 barrels of oil per day, which makes Gabon one of the top eight oil producers in Sub-Saharan Africa. Gabon's economy is heavily dependent on its oil production, and the World Bank estimated that 45% of government revenues come from the production of hydrocarbons. Recent deepwater and pre-salt discoveries have captivated investor interest, and increased the activity offshore. There are several active oil and gas companies in Gabon which compete for business, such as ENI, Total, Perenco, and Tullow.

Figure 7.4.1– Proved reserves history in Gabon

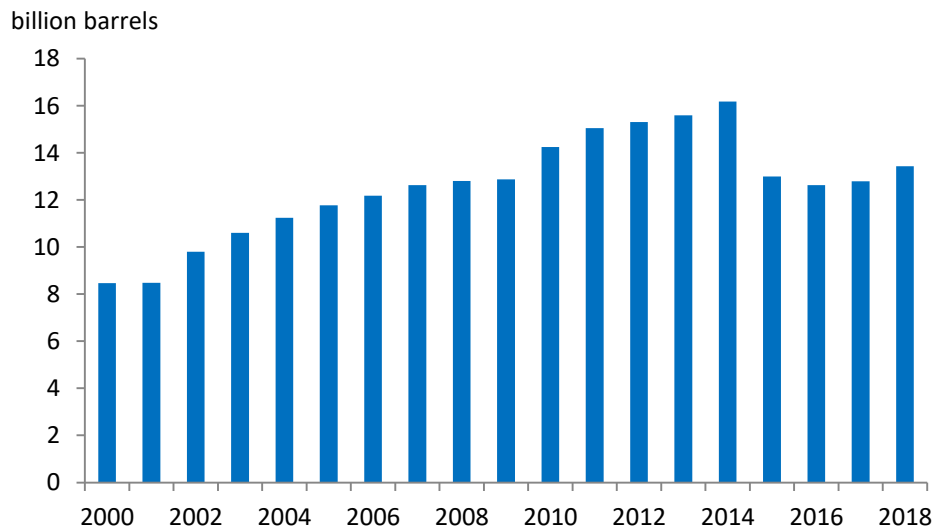


Source: BP Statistical Review of World Energy June 2019.

7.4.2 Brazil

With its 13.4 billion barrels of proven oil reserves, Brazil has the second largest amount of proven oil reserves in South America after Venezuela. In 2018, Brazil produced 2.7 million barrels per day of petroleum and other liquids, which made Brazil the tenth-largest liquid producer in the world and the third-largest producer in the Americas. Brazil's economy has experienced significant growth in the last decade, which has led to a growth in total energy consumption of around 28%. In 2018, Brazil was the ninth-largest energy consumer in the world, whereof petroleum and other liquids represented 46% of Brazil's domestic energy consumption. The competitive situation in Brazil is characterized by state-controlled Petrobras who has been the dominant player. 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.

Figure 7.4.2– Proved reserves history in Brazil



Source: BP Statistical Review of World Energy June 2019.

7.4.3 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 Exxon Mobil, GALP, Total and Shell are all currently active in deepwater exploration licences in Namibia. Further, Namibia currently imports around 60% of the electricity it consumes, which is mainly imported from South Africa's Eskom. Hence, the Namibian government is looking for alternative measures to produce electricity to become less dependent on its neighbouring countries.

7.5 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, 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 (typically referred to as the "super majors") 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. The Company thus competes with some participants which may have larger technical and financial resources. Nevertheless, the Company assesses its competitive position to be equivalent to that of other oil and gas companies of similar size with operations in West Africa.

The offshore segment, in which the Company 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, falling oil prices have put pressure on many offshore companies to expand their activities as well as forcing the companies to increase operational efficiency and cut costs. Lower commodity prices have also resulted in overcapacity

within many key segments of the supply chain, which has reduced competition and consequently prices for, *inter alia*, drilling rigs and subsea production equipment.

The Company is facing the most intense competition in its pursuit for new licenses and hydrocarbon fields. The Company also competes with other oil and gas companies in obtaining capital from investors, as well as the recruitment and retention of qualified employees. The Company'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, the Company 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 Company'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, the Company 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 commercialise.

8 BUSINESS OF THE GROUP

8.1 Introduction

BW Energy is a fast-growing company involved in the exploration, acquisition, development and production of oil and natural gas fields. The Group has devised and successfully implemented a unique, low-cost approach to the development of oil and gas projects which has already generated significant value (see Section 8.2 "Competitive strengths"). Since being established in late 2016, the Group has established a diversified portfolio of production and development assets offshore West Africa and Brazil, and currently holds majority interests in three hydrocarbon licences through its wholly owned subsidiaries:

- The Dussafu Marin Permit, located in the territorial waters of Gabon ("**Dussafu**");
- The Maromba BC-20A Concession Block, located in the territorial waters of Brazil ("**Maromba**"); and
- The Kudu block PL-003, located in the territorial waters of Namibia ("**Kudu**").

As of the date of the Prospectus, the Group produces hydrocarbons at a rate of approximately 8,000 bopd net to the Group from the Dussafu block in Gabon. This is expected to increase to approximately 15,000 bopd during 2020 as the second phase of the development is brought onstream. The Maromba and Kudu blocks are in earlier development stages and the Group is currently working on maturing these assets towards project sanctioning. For further details, please refer to Section 8.6 "Overview of the Group's business".

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**"), fast-track project execution, phased development stages and properly scaled development concepts. This results in shorter development cycles, lower costs and significantly reduced capital at risk prior to commercial production compared to the conventional E&P approach to field development. The Group's relationship with BW Offshore, which has extensive global FPSO experience, is a key enabler of this strategy. The Group has successfully demonstrated its strategy by delivering first production on the Dussafu Tortue development just 18 months after acquiring the licence and at a drastically reduced cost. The Group aims to apply the same principles to develop its newly acquired Maromba field, and sees significant further growth potential by employing its strategy to unlock other undeveloped discoveries which have been left behind by other oil companies.

The Company is incorporated in Bermuda and primarily operated out of Singapore and Houston, USA. BW Energy's main Shareholders are BW Offshore and BW Group, and BW Offshore's main shareholder is BW Group. BW Group is a leading global maritime group.

The Company is committed to conducting its business safely and in an environmentally, socially and ethically responsible manner.

8.2 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 at the Dussafu block, BW Energy is a proven offshore operator. With majority ownership stakes in three production licences 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 symbiosis from combined E&P and FPSO capabilities. BW Energy's E&P expertise in combination with the FPSO capabilities of BW Offshore unlocks values and synergies that differentiate the Group from other companies in the E&P industry. BW Energy has the ability to leverage BW Offshore's over thirty-five years of global offshore experience to trigger phased developments by redeployment of existing FPSOs. BW Offshore is currently managing some 600,000 barrels of oil equivalents per day on behalf of clients. The integrated approach between BW Offshore and BW Energy also allows for more flexible FPSO contracts with a shared risk-reward approach and lower up front capital expenditures, thus enabling profitable development of projects that might not be commercially viable to other E&P companies.

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. The Group is able to leverage BW Offshore's extensive organisation of offshore oil and gas, including experts in offshore operations, subsurface interpretation, drilling and field development. 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. Moreover, BW Energy has demonstrated its ability to carry out value-accretive asset acquisitions and mature dormant discoveries to viable development options.

Proven ability to execute differentiated strategy. BW Energy successfully delivered its first E&P development in Gabon (Dussafu) within a tight timeframe of 18 months from licence acquisition through sanctioning and development to first oil production. Both up front capital expenditures and FPSO asset commitments were reduced by approximately 60% compared to the planned development concept prior to the Group's acquisition of the licence. The Group has also increased the expected recoverable reserves from the Dussafu area from 15 mmbo to more than 100 mmbo through successful near-field exploration and appraisal activity and optimisation of the development plan. Since first production, Dussafu has seen industry leading field uptime of 99%. Moreover, BW Energy has demonstrated its ability to carry out value-accretive asset acquisitions and mature dormant discoveries to viable development options.

Considerable growth potential. BW Energy is in the initial phase of a significant growth trajectory. Dussafu's Tortue field is in the process of implementing Phase 2 development, which will increase gross production to approximately 20,000 bopd. The greater Ruche area development Phase 3 production is expected to increase gross production from the Dussafu block by a further 15,000 bopd from late 2021 (gross). The first phase of the Maromba development is expected to come onstream during 2022, thus unlocking further growth potential for the next decade. Moreover, the Company's differentiated field development strategy and capabilities are key enablers of future value-enhancing M&A.

Strong financial position. The Company has so far been funded exclusively by equity and currently has no debt. The BW Energy Group's cash flow from operating activities for the nine months ended 30 September 2019 was USD 161.8 million. The proceeds from the Offering will in part be used to cover capital expenditures related to Tortue Phase 2, which will unlock self-financed growth for further development of the Dussafu block. The equity derived from the Offering will also be used to unlock value in the development of Maromba, thereby setting the Company up for continued self-sustained growth.

8.3 Strategy

BW Energy targets robust business opportunities based on discovered reserves with sequential growth potential with an aim to unlock significant values that traditional, larger E&P companies are not addressing.

BW Energy does this by utilising existing FPSOs and applying a phased approach to oil and gas field developments. This reduces initial capital expenditure requirements and shortens the time until first cash flow, thereby lowering the threshold for commercial development, reducing capital at risk and facilitating self-funding of subsequent development phases. Leveraging BW Offshore's more than 35 years of global offshore oil and gas experience gives the Company unique insight into which FPSO is the right fit for a given field, as well as extensive knowledge of the countries and geologies in which the Group operates. A deep and solid understanding of a discovery's subsurface is key to the success of the BW Energy field development philosophy.

BW Energy's strategy creates opportunities by cutting through the negative loop which makes certain hydrocarbon discoveries challenging to develop with a traditional E&P approach. FPSO charter rates and large termination fees will often result to challenging economics for small or mid-sized discoveries. In order to cope with the charter rate and termination fee in a downside scenario, operators will typically attempt to increase recoverable reserves. This results in an enlarged development scope and a need for more FPSO production capacity, which in turn increases costs and upfront capital investment requirements. This cycle can lead to operators struggling to find commercial development solutions despite having made a material discovery.

The below table summarises the primary differences between BW Energy's strategy and the traditional E&P company approach.

Parameters	BW Energy approach	Conventional oil company approach
Minimum case	P50-P90 reserves with good upside potential	P50 reserves + prove up total field
Costs	At a minimum to sanction P90	Escalating to capture all reserves
FPSO contract	Reflecting minimum capex	Hell-and-high-water: Reflecting high capex
FPSO termination fee	Limited	Yes, supported by guarantees
Reservoir risk	Shared	None
Upside FPSO contractor	Long-term contract supported by phased development and upgrade work	None
Upside oil company	More reserves	More reserves
Alignment of interests	Yes	Limited

BW Energy's development approach on Dussafu was enabled by its unique relationship with BW Offshore, which made it possible to structure a more flexible FPSO contract with substantially greater alignment of interests between the E&P operator and the FPSO company. In a low case scenario, BW Offshore would have an acceptable return on its investment and a significantly upgraded FPSO, whereas BW Energy would not be burdened by heavy termination fees and high certainty on the reserves. This facilitated a profitable development based on a significantly lower reserve base than other operators would have required to make the project commercially viable. Furthermore, a joint understanding of the asset and sharing of risk and reward enabled a phased development, resulting in more reserves for BW Energy and a longer contract for BW Offshore.

BW Energy aims to apply this phased, cost efficient model of developing oil and gas fields on its other development projects, as well as future investments. The Company is actively screening for new projects and has mapped a large opportunity set of legacy discoveries which could potentially be commercialised through BW Energy's development strategy.

Figure 8.3: Overview of the BW Energy strategy



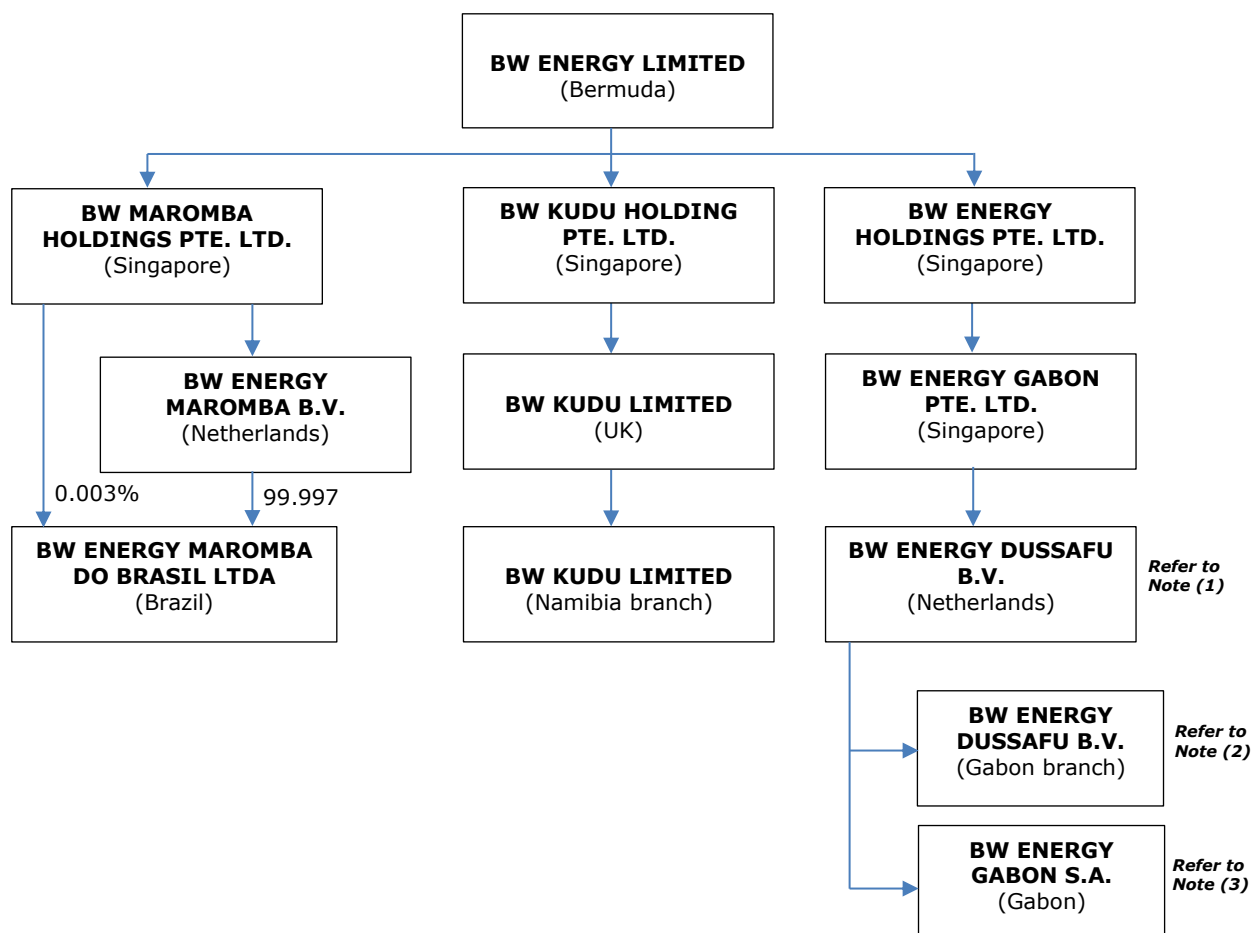
8.4 Legal structure

BW Energy is a holding company which was incorporated in Bermuda on 22 May 2019. At the date of the Prospectus, the Company is owned by BW Offshore (68.6%), BW Group (30.5%) and Arnet Energy Pte Ltd (0.9%).

On 1 October 2019, BW Energy entered into agreements with its shareholders regarding the transfer of certain offshore oil and gas exploration and production assets including Dussafu, Maromba and Kudu (the "Reorganisation"). Prior to the Reorganisation, Dussafu was jointly owned by all three shareholders in the Company. The three shareholders

received shares in the Company as consideration for the reorganisation transaction in proportion to their respective ownership in Dussafu prior to the transaction. Maromba and Kudu were wholly owned by the BW Offshore group prior to the Reorganisation. Consequently, only BW Offshore received shares in the Company as consideration for Kudu and Maromba. See Section 13.6.4 "The Reorganisation" for further information on the Reorganisation.

Today, BW Energy carries out its business through its subsidiaries as shown in the corporate structure overview below. All shareholdings are 100% unless otherwise indicated in the table.



Notes:

- (1) Proposed to be liquidated in 2020.
- (2) In process of de-registration in Gabon.
- (3) Proposed change of shareholder to BW Energy Gabon Pte Ltd in 2020.
- (4) Shareholdings are 100% unless otherwise indicated.
- (5) Country denoted in bracket refer to the entity's country of incorporation/registration.

The following three Group companies hold the E&P licences relating to Dussafu, Maromba and Kudu (respectively):

- BW Energy Gabon S.A. (Gabon) holds the licence pertaining to Dussafu
- BW Energy Maromba do Brasil Ltda. (Brazil) holds the licence pertaining to Maromba.
- BW Kudu Limited and its Namibia branch (UK/Namibia) holds the licence pertaining to Kudu. BW Kudu Limited was incorporated in the UK as a Scottish company, and was subsequently registered in Namibia as a foreign branch under the name of BW Kudu Limited (Proprietary) Limited.

8.5 History and important events

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

Year	Event
1935	Sig. Bergesen d.y. & Co (" Bergesen "), a tanker business in Stavanger, Norway, is established by Mr Sigval Bergesen d.y.
1955	World-Wide Shipping Steamship Company Limited (" World-Wide Shipping ") 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.
2004	Bergesen, together with World-Wide Shipping, were reorganised to form Bergesen Worldwide.
2006	BW Group's offshore division is spun off and listed on the Oslo Stock Exchange as BW Offshore Limited.
2007	The Bergesen Worldwide group was re-branded as "BW Group", which today is a leading global maritime group operating a fleet of over 300 vessels.
2010	BW Offshore acquired all the shares in Prosafe Production Public Limited through a public offer.
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. See Section 8.12 "Summary of the asset acquisition agreements" for a further description.
2017	BW Energy Group acquired a 56% participation and operator interest in the Kudu gas field licence. See Section 8.12 "Summary of the asset acquisition agreements" for a further description.
2018	First oil was achieved at Dussafu on 16 September 2018. The first oil cargo was offloaded from the FPSO BW Adolo at Dussafu on 2 December 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. 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. The Brazilian National Agency of Petroleum, Natural Gas and Biofuels (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. The acquisition of Maromba was closed in September 2019. See 8.12 "Summary of the asset acquisition agreements" for a further description of the transaction agreements. 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. See Section 8.6.5 "Dussafu" for further information. 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. These transactions, collectively referred to as the Reorganisation, are described in detail in Section 13.6.4 "The Reorganisation". Tullow Oil exercised its 10% back-in right to the Dussafu production sharing contract in December 2019. See Section 8.6.5 "Dussafu" for further details.

8.6 Overview of the Group's business

8.6.1 Overview of projects

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

Field/ project	Licence	Ownership interest	Operator	Status	Lifetime of licence
Dussafu.....	Ruche EEA	73.5%	BW Energy Gabon S.A.	In production	20 years starting September 2018
Maromba	BC-20A	100% ¹	BW Energy Maromba do Brasil Ltda.	Development pending	27 years starting 26 December 2006
Kudu.....	PL-003	56%	BW Kudu Limited	Planning phase	25 years starting 24 October 2011

1. A local partner (Magma) has an option to assume a 5% ownership stake upon first oil, cf. Section 8.6.6 "Maromba".

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

As set out in Section 8.6.5 "Dussafu", Tullow Oil has, since the date of the competent person's report pertaining to Dussafu (the "**Dussafu Report**"), acquired 10% of the Dussafu licence. Consequently, the Group's working interest in the Dussafu licence has been reduced after the Dussafu Report was issued (from 81.667% to 73.5%). The reserves, resources and prospective resources for Dussafu presented in this Prospectus are derived from the addendum to the Dussafu Report dated 9 January 2020 (the "**Dussafu Report Addendum**"). The Dussafu Report Addendum presents recalculated figures based on the Group's current working interest (73.5%).

8.6.2 Reserves

The Group's reserves are classified in accordance with the Society of Petroleum Engineer's (SPE) Petroleum Resources Management System (PRMS), which is in line with Oslo Stock Exchange's requirements with respect to disclosure of hydrocarbon reserves. The Group has reserves distributed throughout the Dussafu block, as set out in the table below:

Field/project	Interest	Gross oil equivalents (mmboe)			Net oil equivalents (mmboe)		
		1P	2P	3P	1P	2P	3P
Dussafu ^{1, 2}	73.5%	76.9	112.4	142.6	56.5	82.6	104.8

1. Competent person's report by Netherland, Sewell & Associates, Inc. dated 8 November 2019 (the Dussafu Report) and the Dussafu Report Addendum dated 9 January 2020. Report as of 30 September 2019.

2. Prior to deductions for government royalties and profit oil.

For further details and information, please see the Dussafu Report and the Dussafu Report Addendum.

8.6.3 Contingent resources

The Group's contingent resource volumes are classified in accordance with the Society of Petroleum Engineer's (SPE) Petroleum Resources Management System (PRMS), which is in line with Oslo Stock Exchange's requirements with respect to disclosure of hydrocarbon contingent resources. The Group has oil resources distributed throughout the Dussafu and Maromba blocks, as set out in the table below:

Field/project	Interest	Gross oil resources (mmbbl)			Net oil resources (mmbbl)		
		1C	2C	3C	1C	2C	3C
Dussafu ^{1, 2}	73.5%	15.1	35.7	63.6	11.1	26.2	46.7
Maromba (development pending) ^{3, 4}	100% ⁵	53.8	98.6	141.6	53.8	98.6	141.6
Maromba (development unclarified) ^{3, 4}	100% ⁵	28.9	46.8	74.1	28.9	46.8	74.1
Total Group contingent oil resources		97.8	181.1	279.3	93.8	171.7	262.5

1. Competent person's report by Netherland, Sewell & Associates, Inc. dated 8 November 2019 (the Dussafu Report) and the Dussafu Report Addendum dated 9 January 2020. Report as of 30 September 2019.

2. Prior to deductions for government royalties and profit oil.

3. Competent person's report by Netherland, Sewell & Associates, Inc. (17 January 2020) pertaining to Maromba. Report as of 31 December 2019.

4. Prior to deductions for state royalty.

5. Net oil resources showing numbers incl. deduction for Magma's carried interest, bringing the Group's working interest to 95%.

The Group has gas resources distributed throughout the Kudu block, as set out in the table below:

Field/project	Interest	Gross gas resources			Net gas resources		
		(bcf)			(bcf)		
		1C	2C	3C	1C	2C	3C
Kudu (development pending) ^{1, 2}	56%	587	587	587	329	329	329
Kudu (development unclarified) ¹	56%	57	533	1,324	32	298	741
Total Group contingent gas resources		644	1,120	1,911	361	627	1,070

1. Competent person's report by ERC Equipoise Ltd (13 January 2020) pertaining to Kudu. Report as of 1 January 2020.

2. Prior to deductions for state royalty.

See also Section 21.2 "Explanation of technical terms". For further details and information, please see the competent person's reports attached to this prospectus.

8.6.4 Prospective resources

BW Energy has prospective resources distributed throughout the Dussafu and Maromba blocks, as set out in the table below:

Field/prospect	Reservoir	Interest	Gross oil equivalents			Net oil equivalents			P _g
			(mmboe)			(mmboe)			(%)
			1U	2U	3U	1U	2U	3U	
DUSSAFU ¹		73.5%							
Espadon	Gamba		3.4	7.6	18.1	2.5	5.6	13.3	65
Hibiscus North - East	Gamba		3.0	5.9	12.4	2.2	4.3	9.1	61
Hibiscus North - West	Gamba		0.9	1.6	3.2	0.6	1.2	2.3	57
Hibiscus South	Gamba		4.3	6.6	10.1	3.1	4.9	7.4	81
Moubenga FB2	Dentale E		0.1	0.2	0.4	0.1	0.2	0.3	90
Moubenga FB2	Dentale D		0.3	0.6	1.0	0.2	0.4	0.7	90
Moubenga FB2	Dentale C		0.1	0.3	0.5	0.1	0.2	0.4	90
Moubenga FB2	Dentale A		0.2	0.4	0.7	0.1	0.3	0.5	90
Moubenga FB3	Dentale E		0.2	0.4	0.8	0.1	0.3	0.6	81
Moubenga FB3	Dentale D		0.6	1.3	2.2	0.4	1.0	1.6	81
Moubenga FB3	Dentale C		0.2	0.5	1.0	0.1	0.4	0.7	81
Moubenga FB3	Dentale A		1.2	2.7	4.3	0.9	1.9	3.2	81
Moubenga FB4	Dentale E		0.0	0.1	0.4	0.0	0.1	0.3	77
Moubenga FB4	Dentale D		0.0	0.2	0.9	0.0	0.1	0.7	77
Moubenga FB4	Dentale C		0.0	0.1	0.5	0.0	0.1	0.4	77
Moubenga FB4	Dentale A		0.5	1.3	2.7	0.4	1.0	2.0	77
Moubenga Uptthrown	Gamba		0.4	0.9	2.3	0.3	0.6	1.7	49
Prospect B	Gamba		3.3	11.2	43.4	2.4	8.2	31.9	57
Prospect B	Shallow Dentale		2.8	8.8	26.5	2.1	6.5	19.4	39
Prospect B	Middle Dentale		3.0	8.3	21.8	2.2	6.1	16.0	36
Prospect B	Deep Dentale		0.1	0.3	1.2	0.1	0.3	0.9	34
Walt Whitman NW	Gamba		3.1	5.1	8.4	2.2	3.7	6.2	69
MAROMBA ²		100% ³							
166 Area	Albian		0.3	0.4	0.4	0.3	0.3	0.4	64
433 Area	Albian		4.1	9.3	18.2	3.9	8.8	17.3	64
613-614 Area	Albian		31.3	69.9	138.8	29.8	66.4	131.9	64
637 Area	Albian		4.1	9.8	21.9	3.9	9.3	20.8	64
Dingo	Albian		2.1	4.4	8.2	2	4.2	7.8	64
Southwest	Aptian		2.9	8.5	24.4	2.7	8.1	23.1	64
West	Eocene		7.6	14.9	29.9	7.2	14.1	28.4	40
Castor	Maastrichtian		2.9	7.6	20.6	2.8	7.2	19.6	69
Chinchila	Maastrichtian		5.5	10.9	21.8	5.2	10.3	20.7	43

1. Competent person's report by Netherland, Sewell & Associates, Inc. dated 8 November 2019 (the Dussafu Report) and the Dussafu Report Addendum dated 9 January 2020. Report as of 30 September 2019.

2. Competent person's report by Netherland, Sewell & Associates, Inc. (17 January 2020) pertaining to Maromba. Report as of 31 December 2019.

3. Net oil resources showing numbers incl. deduction for Magma's carried interest, bringing the Group's working interest to 95%.

See also Section 21.2 "Explanation of technical terms". For further details and information, please see the competent person's reports attached to this prospectus.

8.6.5 Dussafu

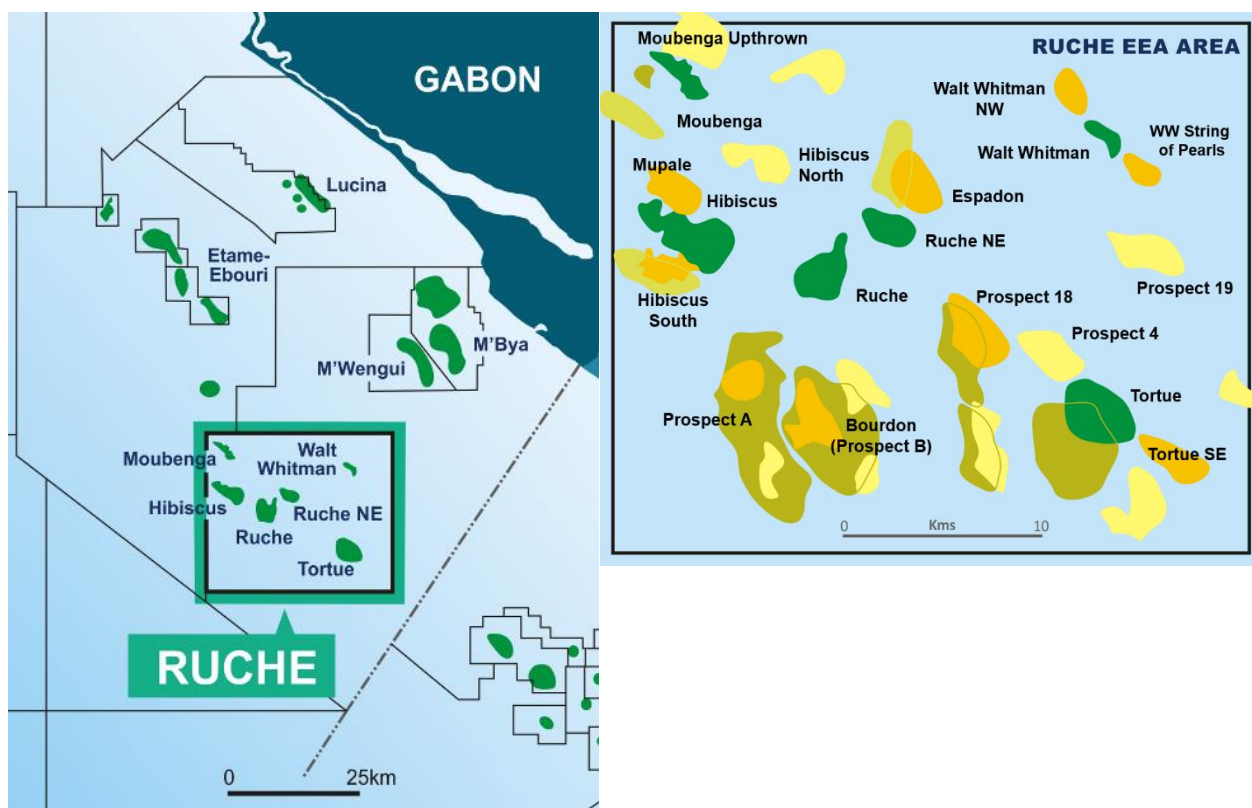
The following section provides an overview of the Dussafu block. Further information and more detailed descriptions can be found in the competent person's report by NSAI, incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

Overview

The Dussafu Marin Permit and the associated Ruche Autorisation Exclusive d'Exploitation ("**Ruche EEA**") production licence are located approximately 50 kilometres off the coast of Gabon. The Ruche EEA covers an area of around 850 square kilometres. The water depth within the Ruche EEA ranges from approximately 80 metres in the northeast corner to approximately 650 metres in the southwest corner. Six oil discoveries have been made on the licence to date: Tortue, Hibiscus, Ruche, Ruche North East, Moubenga and Walt Whitman. The area comprising the Tortue, Hibiscus, Ruche and Ruche North East fields is centrally located within the Ruche EEA, with a water depth of approximately 116 metres.

Figure 8.6.5 a: Dussafu and the surrounding area.

Figure 8.6.5 b: Discoveries, prospects and leads within the Ruche EEA.



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 authorisation 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 licence 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 licence 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 licence. 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 8.15 "Applicable laws and regulations" for more details) stipulates that the Gabonese national government had a "back-in right" for a 10% working interest in the licence. 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 licence by paying its share of historical costs. Tullow Oil exercised this 10% back-in right into the Dussafu licence in December 2019. The net amount payable by Tullow Oil to the existing partners is USD 19.8 million after adjusting for Tullow Oil's net lifting entitlement since the commencement of oil production in September 2018 and some surplus cash-calls made on their behalf. The net amount payable to BW Energy is USD 15.9 million. Negotiations are ongoing to resolve certain disputed costs, which amount to an additional USD 18.7 million. If an agreement is not reached then the dispute will be submitted to a simplified arbitration. BW Energy's share of the disputed costs is 81.667%, see also Section 8.10 "Legal proceedings".

Following the exercise of the back-in right, BW Energy Gabon SA's ownership interest was reduced to 73.5%, while GOC and Panoro's ownership interests were reduced to 9% and 7.5%, respectively. Tullow Oil's ownership interest is 10%.

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 licence 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 metres 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 metres, and the rock quality is favourable 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 blpd 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. Four additional subsea production wells will be drilled at the Tortue field as part of Dussafu Phase 2 development. In addition, a fixed wellhead platform with nine dry-tree well slots will be installed at the Ruche field and tied back approximately 16 kilometres to the FPSO at the Tortue field.

Current status

Phase 1 started production on 16 September 2018 and is currently producing at a gross rate of around 10,700 bopd from two wells at the Tortue field. Approximately 5.5 mmbbl had been produced as at the end of 2019. Trace water production was first observed in November 2019. Field uptime since start-up has been 99%, which is industry leading.

Phase 2 development at Tortue was sanctioned in late 2018. It will consist of the drilling of four additional production wells at Tortue, three of which will target the Gamba reservoir and one the Dentale 6 reservoir. The wells will be tied back to the BW Adolo FPSO. Drilling of these wells began in late 2019 and will continue into early 2020. DTM-4H and DTM-5H, the first two Gamba wells in Phase 2, have been drilled and completed. The first wells are expected to start producing during the first quarter of 2020. All four wells are forecast to be online by mid-2020, which is expected to result in an increase in production from the Tortue field to around 20,000 bopd. The gross investment for Phase 2 is approximately USD 250 million.

The crude oil produced from the Dussafu block is offloaded from the FPSO to a crude tanker and transported by sea. The typical lifting parcel is about 650,000 bbls and the frequency of lifting will increase with additional wells.

Future strategy and plans

BW Energy is currently preparing to execute a third development phase, Ruche Phase 1, at the Dussafu block with the Hibiscus and Ruche fields, which lie approximately 15 to 20 kilometres northwest of the Tortue field. The current plan is to drill a total of six horizontal production wells that will be connected to a fixed wellhead platform. Four of the wells will be drilled at the Hibiscus field, all targeting the Gamba reservoir. Two wells will be drilled at the Ruche field targeting the Gamba reservoir. The wellhead platform will be tied back to BW Adolo FPSO, which will continue to serve as the hub for production in the Dussafu licence. First oil from Ruche Phase 1 is expected in late 2021 adding up to 30,000 bopd to gross production from the Dussafu block once fully ramped up. The Ruche Phase 1 development is expected to recover gross reserves of approximately 36.7 mmbbl. Gross investments for the Ruche Phase 1 development are currently estimated at approximately USD 430 million, which is expected to be funded largely from operating cash flow generated by production at Tortue.

Ruche Phase 2 is expected to follow Ruche Phase 1 with the addition of 3 Hibiscus Gamba wells, 1 Ruche Gamba well, 2 Ruche North East wells, and 1 Ruche Dentale 170 well tied back to Ruche Platform. The Ruche Phase 2 development is expected to recover gross reserves of approximately 33.3 mmbbl. Gross investments for the Ruche Phase 2 development are currently estimated at approximately USD 230 million.

The above investment estimates differ from the assumptions made by NSAI in the Dussafu Report as the Company estimates capital expenditures of approx. USD 100 million more than what is assumed in the Dussafu Report. The reason for this is that the Company takes into account an acceleration of the development at Dussafu in 2020, which entails a corresponding increase in the near-term capital expenditure.

BW Energy sees significant potential for further growth at Dussafu, including development of the Walt Whitman and Moubenga discoveries. There is also significant remaining exploration potential in the Dussafu licence, and the Company 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 2020-2021. The first exploration target was the Hibiscus Updip prospect, where well DHIBM-1 was drilled to a total depth of 3,538 m on 25 August 2019 with positive geological results in the Gamba Formation. An appraisal sidetrack utilising the DHIBM-1 wellbore was drilled 1.1 km west and further proved the Hibiscus field. The addition of Hibiscus Field to Ruche Phase 1 has added 45.4 mmbbls in Dussafu 2P reserves.

The Ruche EEA production licence'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.

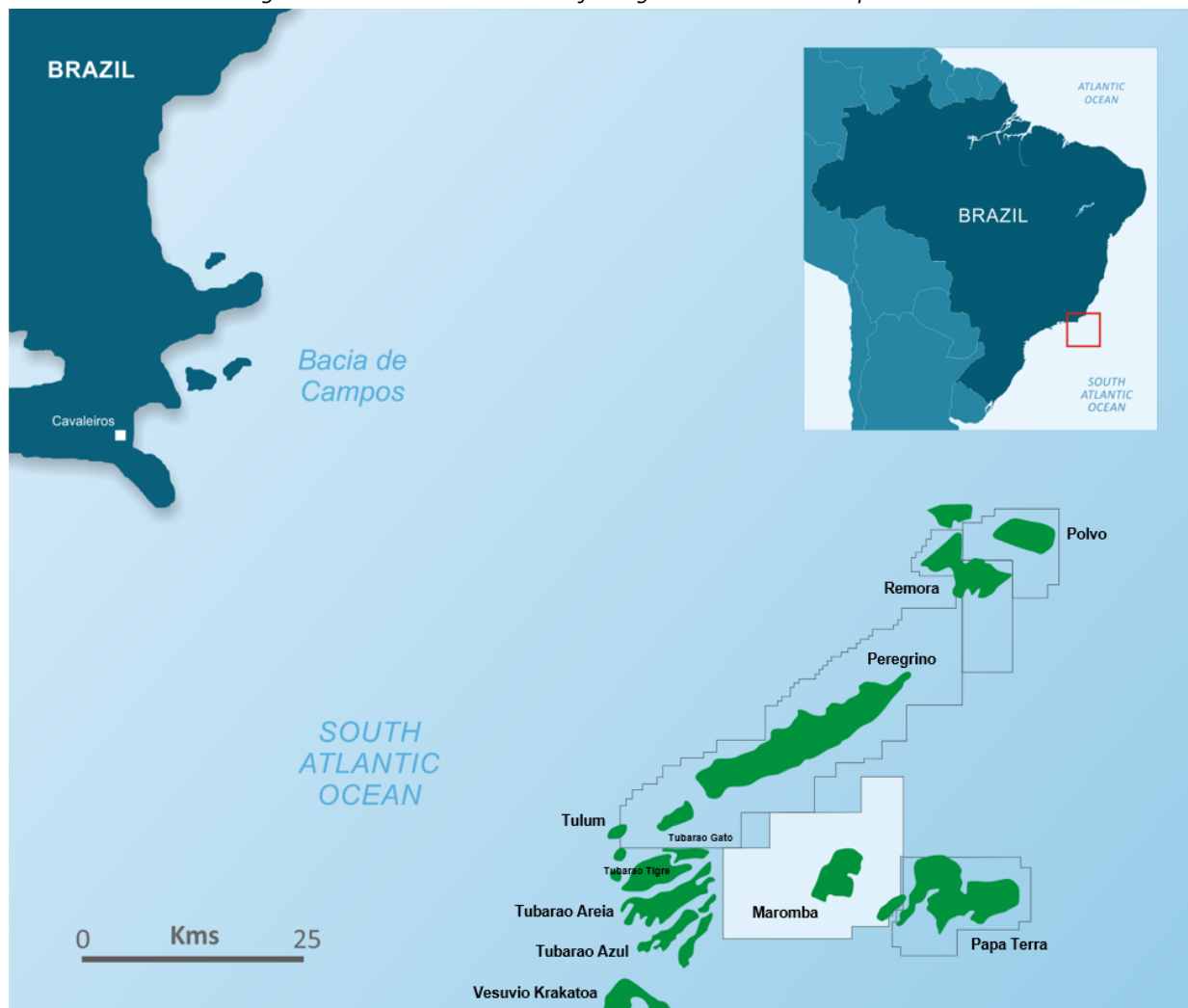
8.6.6 Maromba

The following section provides an overview of the Maromba licence. Further information and more detailed descriptions can be found in the NSAI competent person's report, incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

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 metres. Maromba lies within a 375 square kilometre "ring-fence" carved out of the former BC-20 exploration block, called the BC-20A concession. Nine wells were drilled in the licence 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 8.6.6 a: Maromba and adjoining licences in the Campos Basin.



Licence history and ownership

The licence (concession contract) governing Maromba was awarded to Petrobras in 1998 as part of Licensing 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 Brazilian National Agency of Petroleum, Natural Gas and Biofuels (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 55 million is due at first oil or three years after the start of drilling activities, whichever comes first.

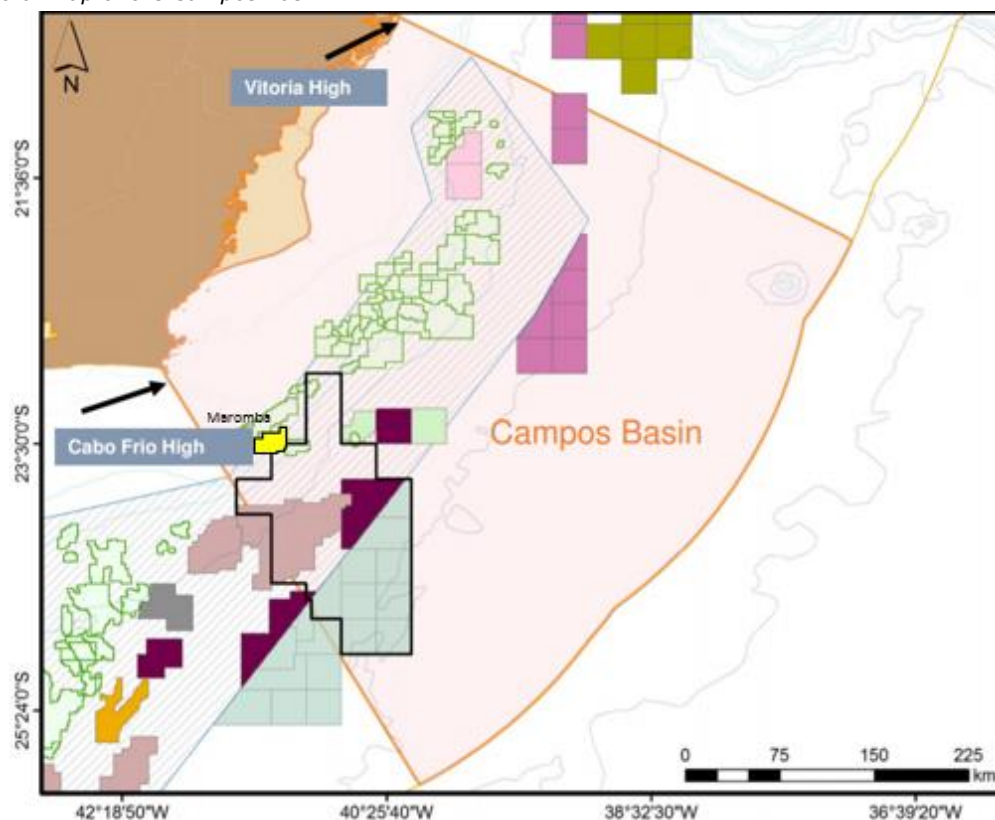
BW Energy has entered into a memorandum of understanding granting Magma Oil & Gas Ltda. ("**Magma**") an option to acquire a 5% working interest in the licence following first production. If the option is exercised, Magma will be required to pay 16.67% of (i) the amount paid by BW Energy to Chevron under 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 has in December 2019 sent notice to ANP requesting an extension of the concession term. If the ANP approves the request, a new period of 27 years is triggered from the date of approval of the new development plan. The Brazilian regulatory authorities have the discretionary right to decide whether or not to approve such request for extension.

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.

Figure 8.6.6 b: Map of the Campos Basin.



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. Ponded 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 minimising up-front capital expenditure, accelerating time to first production and allowing the production and the supporting organisation to grow organically. Phasing will furthermore provide important reservoir performance data which will be used to optimise future development phases.

Phase 1 will target heavy crude oil (API gravity of 16°) in the Maastrichtian reservoir. It will consist of two or three horizontal subsea wells that will be tied back to an FPSO. The wells will be completed with high-horsepower electric submersible pumps ("ESP"). BW Offshore's Berge Helene FPSO has been identified as suitable for the project, and the current plan is to modify this vessel to serve as the production hub for wells in the Maromba licence. Phase 1 is expected to begin production in late 2022, and gross peak production is forecast to reach approximately 40,000 bopd. Phase 1 will require gross investments of approximately USD 325 million, based on preliminary estimates.

Phase 2 development is expected to consist of three to four additional horizontal production wells and two water injectors. The current assumption is that these wells will also be subsea wells completed with ESPs, however, the possible use of a wellhead platform will be assessed after Phase 1 information is analysed. Phase 2 development drilling is expected to commence in 2023 with production start-up in 2024, however continued investments will be contingent on the outcome of Phase 1.

A future Phase 3 is currently envisaged to entail further infield drilling into the Maastrichtian reservoir (as illustrated by Figure 8.6.6 c) and to develop satellite reservoirs that currently have known oil in the Eocene and Maastrichtian, as well as the potential development of prospective carbonate reservoirs in the Albian, Aptian and Barremian. Although carbonate reservoirs are generally more challenging to produce from relative to sandstones due to larger heterogeneity and varying geological properties within the reservoir, they represent a very substantial upside to recoverable resources in the licence. Other fields in the surrounding area, including Polvo, Tubarão Martelo and Tubarão Azul, have successfully produced from carbonate reservoirs.

The crude oil produced from the Maromba block will be produced to an FPSO and offloaded at regular intervals to export tankers.

Figure 8.6.6 c: Overview of the different Maromba reservoirs.

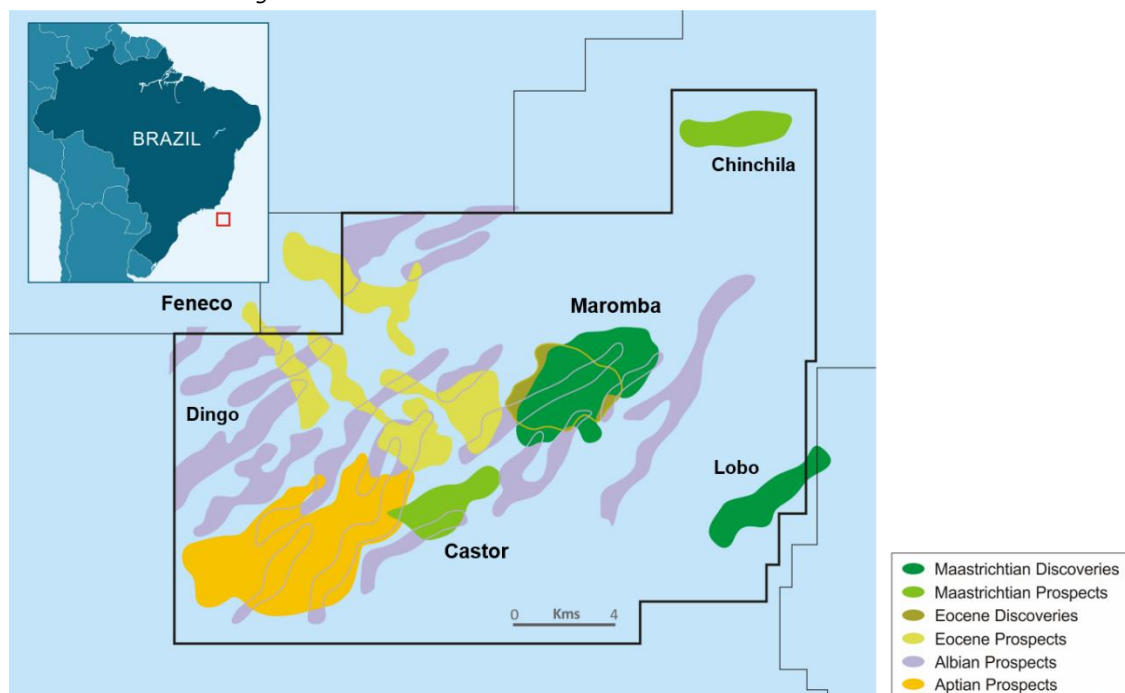
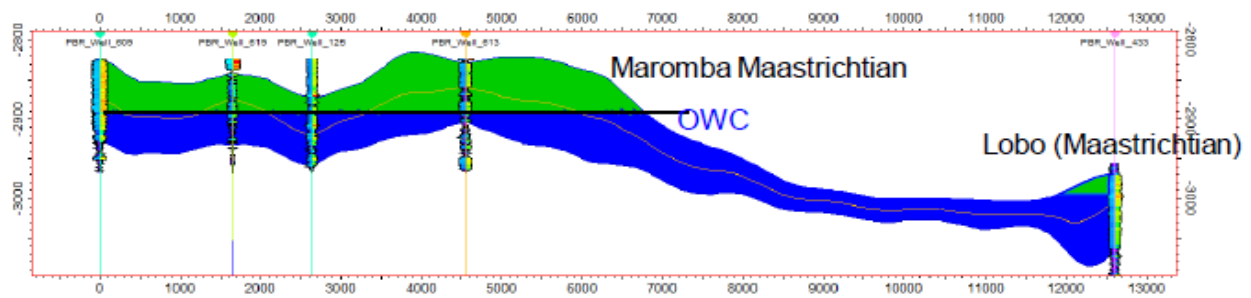


Figure 8.6.6 d: Cross-section of the Maromba Maastrichtian reservoir.



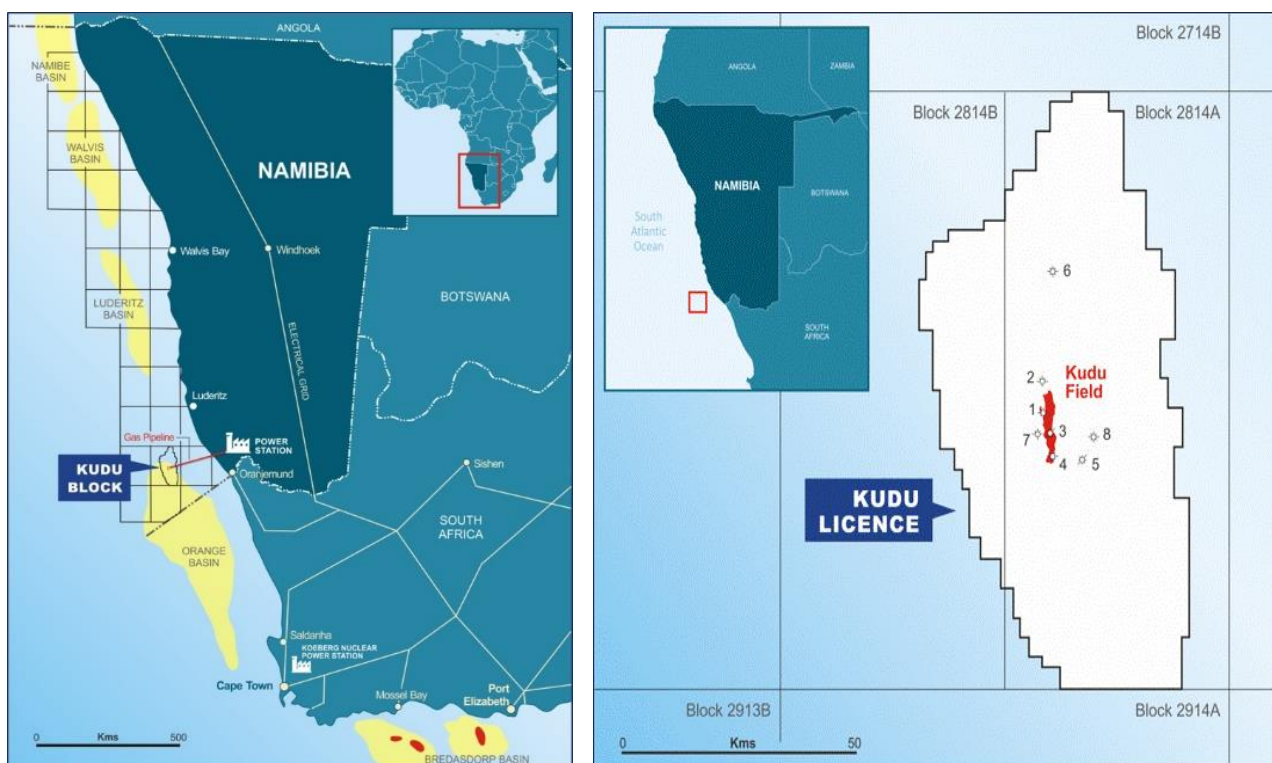
8.6.7 Kudu

The following section provides an overview of the Kudu field. Further information and more detailed descriptions can be found in the ERCE competent person's report, incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

Overview

The Kudu gas discovery is located in the northern Orange sub-basin approximately 130 km 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.

Figure 8.6.7 a: Location of the Kudu field



Licence 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 licence bid round, Shell took over operatorship in 1993 and drilled a further appraisal well in 1996. Shell withdrew from the licence 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 licence, but subsequently withdrew in 2003, leaving Energy Africa to assume 100% of the licence, of which it transferred 10% to NAMCOR. Tullow acquired Energy Africa in 2004 and was awarded a production licence (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 licence (now PL002) was awarded. Gazprom subsequently withdrew in 2011, at which point Production Licence 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.

The Group has for some time been in discussions and negotiations with NAMCOR regarding their joint ownership of the Kudu licence. In January 2020, BW Energy signed a head of terms with NAMCOR to increase BW Energy's working interest in Kudu to 95%. The head of terms sets out the high-level commercial principles of a potential transaction which would settle the discussions between BW Energy and NAMCOR (as referenced in Section 2.2.72.2.7). Negotiations regarding a fully termed agreement with NAMCOR documenting the principles set out in the head of terms are ongoing, but in early stages. Completion of any transaction to increase BW Energy's working interest in Kudu would be subject to customary conditions precedent, including governmental approvals.

The Kudu licence 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, which is described in more detail in Section 8.15.4 "Namibia (Kudu)".

Geology and reservoir

The Namibian continental margin represents a passive volcanic margin containing 3-5 km 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 (see Figure 8.6.7a above). 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 metres, 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.

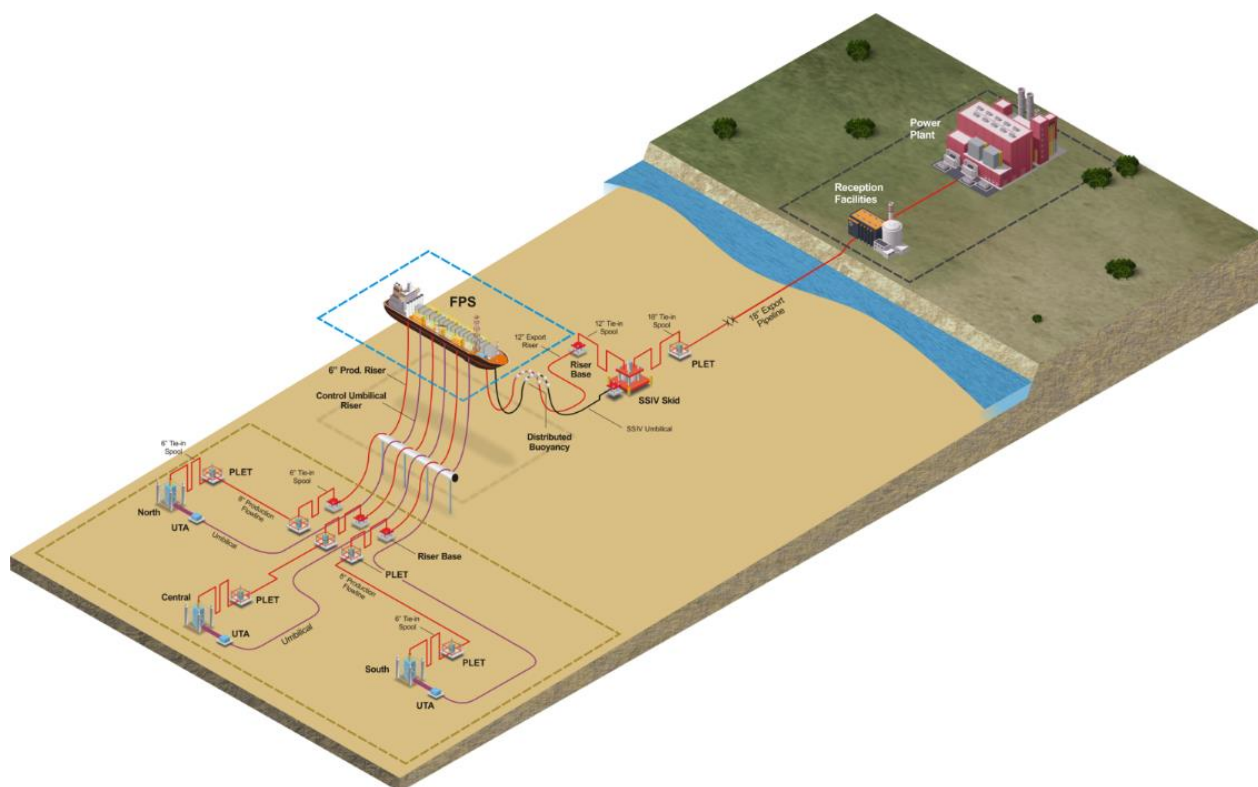
The Kudu sandstones have a gross thickness ranging from 50-150 m, with net gas pay of up to 55 m, porosities of 6-15% and permeability of <10 md at reservoir conditions.

Development plans 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.

Under the current approved field development plan, it was envisaged that the Kudu gas field would be developed as an integrated GTP project in parallel with the development and construction of an onshore GTP station. Two to three subsea wells would be developed and tied back to an FPSO that would supply gas through a dedicated 170 km pipeline to a GTP plant.

Figure 8.6.7 a: Illustration of the current approved development plan for the Kudu field, which is subject to changes, cf the below.



However, development of the field is contingent on proving economic viability and the development of third-party infrastructure. In order to allow BW Energy and NAMCOR to explore alternative commercially viable ways to monetise the more than 1.1 tcf of discovered gas resources in Kudu, existing arrangements and associated commitments relating to the development of the Kudu GTP project are currently in the process of being unwound. Nevertheless, BW Energy remains committed to maturing the project towards a commercial development option and remains in discussions with key project stakeholders. The current project planning envisages a Gas Sales Agreement ("**GSA**") to supply gas to the Kudu Power Station which could generate approximately 440MW for NamPower's domestic electricity grid, with a firm contract period of 25 years. The final investment decision is anticipated to take place following agreement of final terms for the GSA, currently targeted for late-2021, with first gas production targeted for early 2024. Kudu has the potential to become a vital part of Namibian power supply, but until the final investment decision is made, it represents a low cost option in the Company's portfolio.

8.7 Insurance

BW Energy procures wide insurance in respect of the Dussafu operations to address operational and development risk. Key insurance policies include Operators Extra Expenses (OEE) for well control, drilling, seepage and pollution of all wells (Phase 1 and 2), Third Party Liability (TPL) insurance in respect of the execution of offshore work for Phases 1 and 2, Property Insurance over the operational property (currently: SURF and wellheads for Phase 1), Loss of Production (LOPI) cover caused by physical damage to the field/well/SURF and the FPSO, and Construction All Risk (CAR) insurance in respect of the current Phase 2 development (scheduled to finalise in the beginning of Q3 2020) and Phase 3 developments (for which platform construction commences in Q2 2020). Cover for pollution emanating from the field is covered under the OEE insurance, and this is supplemented with excess limits for seepage and pollution beyond the other OEE risks.

The above insurances are combined under an "energy package" program placed with rated and quality energy underwriters worldwide and placed in accordance with Gabonese law with AXA Gabon as mandatory local insurers. Local insurance has also been procured in respect of transport, shipments and warehousing of goods and equipment in Gabon.

A similar risk management and insurance procurement approach will be adopted for the Maromba project upon Brazilian regulators' approval of BW Energy's Phase 1 development plan. A third party liability insurance was placed upon approval of the license in Q3 2019 to address field liability as license holder whilst the energy package will be placed upon start of work of field development.

For corporate covers, BW Energy will place liability and Directors' and Officers' (D&O) insurance independently from BW Offshore whilst BW Energy's cover for special contingency and general liability are placed under one BW Offshore group global corporate cover.

8.8 Information technology

The Group purchases IT services and support from BW Offshore, which has an in-house IT department which supports the organisation with stable, efficient and cost-effective IT solutions, cf. Section 13 "Related party transactions". BW Energy believes in establishing suitable supporting infrastructure to enable effective and responsive operations (both onshore and offshore), and to support timely, relevant, and reliable information for business decision-making. The Company believes that modern IT solutions and tools will enable its employees to work more efficiently, and regularly conducts support training to increase application competence in the Company. BW Energy always on the look-out for new tools and features, and seeks to enhance and optimize the existing tools in use so as to promote greater efficiency and results. The Group uses a standardized platform to minimize the need for integration with other platforms. The modern ERP solution purchased from BW Offshore is also closely connected to Business Intelligence (BI) which provides updated information from all its systems to ease decision-making at all levels.

8.9 Health, safety and environmental matters

BW Energy is committed to prioritising safety, occupational health and environmentally responsible performance. The Company has implemented management systems and routines with a focus on continuous improvement in all its activities.

BW Energy has a target of being an industry leader, with the lowest reasonably possible frequencies for lost time injuries, high risk incidents (including spills to the environment and unplanned emissions), and occupational illnesses. The Company is supported by an "Operational Integrity" function which continuously monitors trends and takes prompt action to prevent or reverse any unwanted developments. BW Energy gives all employees the explicit authority to stop all actions that they think are unsafe and/or unsure of, and to initiate a process to define and clarify any such actions without any repercussions or questions.

The Operational Integrity function has been firmly established within BW Energy to support the organisation in continuously achieving the objectives of:

- Zero harm to personnel
- Effective management of major accident hazard risks
- Managing environmental impacts such that they are minimised
- Taking due care of company assets
- Continuously seek improvements to work safer and smarter

Operational Integrity function has established processes and tools required for demonstrating operational performance and compliance in a transparent manner. The governing process (illustrated schematically below) is based on operational objectives that are provided by the Company, and the Operational Integrity function support the organisation in meeting and exceeding these targets through a continuous improvement cycle.

Figure 8.9: Illustration of the BW Energy governing process.



The Operational Integrity function provides the necessary support and assurance in the following ways:

- Setting expectations relevant to performance and compliance through performance standards and management system standards;
- Improving the organisation's understanding of Operational Integrity principles and how these are best applied through a process which incorporates continuous workforce engagement;

- Continuous identification of hazards related to planned activities and helping to implement effective measures to manage the risks related to these activities;
- Assuring that Operational Integrity processes are effective in meeting objectives through a comprehensive audit process;
- Learning our lessons from incidents that we incur through an effective incident investigation process;
- Seeking better ways of managing our business to deliver improved Operational Integrity outcomes.

Through a combination of how the Company works, as described above, and close collaboration with the regulatory authorities in the regions in which the Company operates, the Company is strongly committed to demonstrating that it meets all relevant legislative requirements, as well as supporting the development of these requirements in regions where the oil and gas industry is emerging.

The Group's activities are subject to environmental regulations pursuant to a variety of international conventions and national, state and municipal laws and regulations, which the Group is committed to uphold, and where appropriate, exceed.

8.10 Legal proceedings

8.10.1 Overview

From time to time, the Company 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.

Other than as set out in this section, neither the Company nor any other company in the Group is, nor has been during the course of the preceding 12 months, party to any legal, governmental or arbitration proceedings which may have, or has had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

8.10.2 Dussafu back-in right

As described in in Section 8.6.5 "Dussafu", Tullow Oil has, in December 2019, exercised its option to acquire a 10% interest in the Dussafu licence by paying its share of historical costs. The net amount paid by Tullow to the existing partners was USD 19.8 million after adjusting for Tullow's net lifting entitlement since the commencement of oil production in September 2018 and some surplus cash-calls made on their behalf. The net amount paid to BW Energy was USD 15.9 million. Negotiations are ongoing to resolve certain disputed costs, which amount to an additional USD 18.7 million. If an agreement is not reached then the dispute will be submitted to a simplified arbitration. BW Energy's share of the disputed costs is 81.667%.

8.10.3 Potential consequences of Petrobras' dispute with the Brazilian Workers' Party

In May 2017, the Brazilian Workers' Party (PT) filed a "direct unconstitutionality action" ("**ADI**") against Petrobras regarding the validity and applicability of the Brazilian Federal Decree 9,355/2018 (the "**Decree**"), which establishes the legal framework for Petrobras' divestment of E&P interests. The Group is not party to these legal proceedings, but may be affected by the outcome of the court ruling as further set out below.

The Decree formed the legal basis for, *inter alia*, Petrobras' sale of its ownership stake in the Maromba licence to the Group. PT claims, *inter alia*, that:

1. The legal framework for Petrobras' divestment of E&P interests under the Brazilian constitution is reserved to be regulated by law enacted by the Brazilian National Congress. Thus, the Decree (as opposed to a law by the National Congress) is unconstitutional.
2. The Decree, by allowing the waiver of the public bidding process established by the Brazilian "State-Owned Companies Law" (law 13,303/2016) and by creating a more flexible proceeding for the assignment of E&P rights by Petrobras, directly violates the Brazilian Federal Constitution (and in particular the rule provided by article 37 of the federal constitution pursuant to which the process must follow a public bidding process for services, works, purchases and sales by the Brazilian government, as well as the rule provided by article 173 that establishes that a law (as opposed to a decree) should set forth the general statute for public companies).

PT also requested an injunctive relief to stay all of the Decree's effects and all sales of assets related to it until the decision on the matter was issued by the Brazilian Supreme Court. The injunction was granted by the reporting minister

on 19 December 2018, but was reversed by the president of the Brazilian Supreme Court on 12 January 2019.

The case is currently awaiting trial in the Brazilian judicial system. When a decision pertaining to the ADI is reached, and if the ruling finds the Decree to be invalid, the Group's acquisition of Petrobras' ownership interest in the Maromba licence may be found to be invalid. If the Decree is found to be invalid, both the Group and Petrobras have the option to (on certain conditions) terminate the transaction agreement.

8.11 Material contracts

Save for any exceptions set out in Section 13 "Related party transactions", neither the Group nor any member of the Group has entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Prospectus.

8.12 Summary of the asset acquisition agreements

8.12.1 Dussafu acquisition

In December 2016, BW Offshore, in partnership with the BW Group, entered into an agreement to acquire 66.67% of the Dussafu PSC offshore Gabon from a wholly owned subsidiary of Harvest Natural Resources, Inc. The acquisition price as per the transaction agreement was USD 34.3 million in cash (including certain adjustments).

BW Energy Holdings Pte. Ltd. ("**BWEH**") was incorporated by BW Offshore for the purpose of acquiring Dussafu. As at 31 December 2016, BWEH was owned 100% by BW Offshore, after the closing of the acquisition of the Dussafu PSC in 2017, BWEH was owned 66.67% by BW Offshore Group and 33.33% by Maple Company Limited, a wholly owned subsidiary of BW Group.

Shortly thereafter, BWEH entered into an agreement to acquire a further 25% of the working interest in the Dussafu PSC from a wholly owned subsidiary of Panoro. The acquisition price was USD 12.9 million in cash.

See also Section 13.6.4 "The Reorganisation" for further information.

8.12.2 Kudu acquisition

In January 2017, BW Offshore acquired a 56% participation and operator interest in the Kudu gas field licence. The total acquisition cost was USD 3.1 million with contingent consideration of USD 7.8 million, which is payable in tranches, of which only the first tranche has been paid so far. The second tranche is payable upon the Company's final investment decision (FID), while the third tranche is payable when commercial production of gas begins.

See also Section 13.6.4 "The Reorganisation" for further information.

8.12.3 Maromba acquisition

In March 2019, BW Energy entered into agreements to acquire 100% of the Maromba licence in Brazil field offshore Brazil from Petrobras (70%) and Chevron (30%). Completion of the transactions is subject to fulfilment or waiver of certain conditions, including regulatory approvals and BW Energy being approved as an operator in Brazil. This approval, which was granted on 17 August 2019, triggered the first milestone payment of USD 30 million to Chevron and Petrobras.

The total acquisition price for the Maromba field is USD 115 million, which will be paid over three milestones as the development progresses towards first oil. The second milestone is due at start of drilling activities and the third milestone is due at first oil or 3 years after the start of drilling activities, whichever comes first.

See also Section 13.6.4 "The Reorganisation" for further information.

8.13 Research and development

Except for the development of its licensed fields (as described in detail in Section 8.6 "Overview of the Group's business"), the Company is not engaged in any research and development activities.

8.14 Dependency on contracts, patents, licences, intellectual property etc.

The Group's operations and financial performance are dependent on its contracts with clients, suppliers, subcontractors and employees, all in the ordinary course of business. A number of these are described in Section 8 "Business of the Group" and Section 13 "Related party transactions".

The Group's existing business or profitability is dependent upon the FPSO contract with BW Offshore, which is described in further detail in Section 13.5.3 "FPSO contract with BW Offshore".

The Group depends on its E&P licences. These, and the regulatory frameworks that they are subject to, are described in detail in Section 8.6 "Overview of the Group's business" and Section 8.15 "Applicable laws and regulations".

The Company is not dependent on any licenses or patents, other than those described within this section 8.14.

Other than the intellectual property transferred to the Group as described in Section 13.5.1 "Seaboard Production Partners, LLC", the Company has no material intellectual property, nor are its business operations dependent on any such intellectual property.

8.15 Applicable laws and regulations

8.15.1 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 licences. At date of the Prospectus, the Group has licences in offshore Brazil, Gabon and Namibia, and production activity in Gabon. 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 and inspections are conducted by the various disciplines within the organisation, 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.

8.15.2 Gabon (Dussafu)

Overview

All ownership of oil and gas in Gabon, including offshore Gabon, is vested in the State. The Ministry of Petroleum, Gas and Hydrocarbons (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 (Direction Générale des Hydrocarbures, or "**DGH**").

There are three main sets of regulations applicable to oil and gas contracts in Gabon, determined by when the contract was entered into. First, generally speaking, 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.

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-sharing contract. The government's share is marketed for its own account either 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.

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 organise 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.

8.15.3 Brazil (Maromba)

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 "**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.

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 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, 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, authorises 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.

- Production-sharing regime: Relating to exploration and production on pre-salt areas and areas deemed strategic by the federal government. Under such regime the Ministry of Mines and Energy ("**MME**") concludes with the oil companies and the Empresa Brasileira de Administração de Petróleo e Gás Natural SA – Pré-sal Petróleo S.A. ("**PPSA**") (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.

Brazilian concessions regime

The Group will be subject to the terms and conditions of the Maromba licence (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 licence, 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 licence, 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, as Bid Round Zero concession contracts do not contain local content commitments. However, pursuant to clause 19 of the Maromba concession agreement, 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 Maromba Concession Agreement.

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 licences applicable for the oil and natural gas sector granted by the IBAMA are preliminary licences, installation licences and operating licences. In addition, there are specific environmental licences applicable to upstream activities, such as licences for seismic research, preliminary licences to drill and preliminary production licences. The 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.

The Brazilian tax framework

All income generated by the exploration of oil and gas must be taxed by federal income tax, as any other income generated with the exportation of any other type of goods, being subject to general income tax legislation. The following taxes may apply to oil and gas activities (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: tax on distribution of goods and services (ICMS);
- Municipal taxes: tax on services (ISS).

All income generated from the production of oil and gas is subject to federal income tax. In this regard, the following taxes apply to oil and gas activities:

- Import Duty – II
- Excise Tax – IPI
- Value Added Tax – ICMS
- Service Tax – ISS
- National Institute of Social Security Tax – INSS
- Contribution for Intervention in the Economic Domain – CIDE; and
- Tax on Financial Transactions – IOF

Repetro-Sped is a special tax and customs regime regarding tax and customs for the oil and gas industry, and is set forth in the Brazilian Law No. 13,586/2017, Decree No. 6,759/2009 and Normative Ruling ("**NR**") No. 1,781/2017. The Brazilian National Council of Fiscal Policy (CONFAZ) enacted ICMS Agreement No. 3 on 16 January 2018 with the purposes of authorising Brazilian states to reduce the ICMS taxable amount and exempt the ICMS levied on transactions involving goods used on E&P activities and carried out under Repetro-Sped.

8.15.4 *Namibia (Kudu)*

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 licence 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 licence. 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.
- a Production License, which permits its holder to exclusively carry on production operations on the block(s) to which that licence 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 licence in respect of the Kudu field in which the Group holds its 56% participating interest is a production licence, and it is the only production licence 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 licences, amongst other things.

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 "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 licence, the Minister is required to enter into a petroleum agreement with the licence 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) licence. There are also a few mandatory statutory conditions applicable to petroleum licenses, which are set out in the Petroleum Act. These relate to local content provisions applicable to petroleum licences, 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.

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" (the "**Petroleum Regulations**"), 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 licence 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 authorisations 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.

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 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 licence area separately. Unless a specific agreement to the contrary is entered into between joint licence holders, licence holders are taxable proportionately to their interest in a specific licence area. There is no specific agreement to the contrary in respect of the Kudu licence area between the Group and its licence partner.
- Additional profit tax (APT): APT will be payable where operations in the licence 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. APT 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 licence area earn an after tax rate of return of at least 15%. Where operations in the licence 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 licence, a right to mine petroleum and shares held directly or indirectly in a company that holds such a licence 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 licence or right and, in the case of petroleum licences and rights, the costs of improving the licences 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 licence 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.
 - 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.
 - 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**"):
 - WHT on dividends / non-resident shareholders tax: Petroleum licence 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.
 - WHT on interest will be imposed at a rate of 10% on interest payments to non-residents.
 - 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 licence 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 licence holder, and therefore, will need to be considered by the licence 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 licence 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 licence 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 licence 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 licence of ZAR30,000 (as stated in Schedule 1 of the Petroleum Act), and then an annual rental charge applies, which in respect of the Kudu field licence is equivalent to the square kilometres 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: Licence 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 licence and will be negotiated between the MME and the licence holders.

9 CAPITALISATION AND INDEBTEDNESS

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 10 "Selected financial and other information" and Section 11 "Operating and financial review", and the Combined Financial Statements and the Condensed Combined Interim Financial Information and related notes, incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

9.1 Introduction

The financial information presented below provides information about the Company's unaudited combined capitalisation (Section 9.2) and net financial indebtedness (Section 9.3) on an actual basis as of 30 September 2019. The position of the Company as at 30 September (the "As at 30 September 2019" column) is in the two tables below used as the starting point for the adjustments. The information in the "As at 30 September 2019" column is derived from the Company's Statement of Financial Position as at 30 September 2019. The "Reorganisation" column reflects the adjustments in connection with the Reorganisation described in Section 13.6.4 "The Reorganisation" whereby the Company's subsidiaries were acquired by the Company. The information in the "Reorganisation" column is derived from the Condensed Combined Interim Financial Information. The "Group as adjusted" column is the starting point for the adjustments relating to the Group, and reflects the position of the Group as at 30 September 2019 as adjusted for the Reorganisation. The "Other adjustments" columns illustrate the Group's unaudited combined capitalisation and net financial indebtedness as of 30 September 2019 giving effect to the material post-balance sheet events described below. The tables below do not reflect any other adjustments since 30 September 2019.

The "Other adjustments" columns reflect adjustments to the Group's unaudited combined capitalization and net financial indebtedness as of 30 September 2019 in respect of:

- Conversion of USD 31 million of interest free shareholder loans reflected as part of trade and other short-term liabilities of USD 10 million in the Company's unaudited financial statements as of 30 September 2019 into equity as adjustment No. 2; and
- The consummation of the Offering resulting in net proceeds to the Company of USD 165 million (excl. the issuance of any Shares in connection with the Greenshoe Option) as adjustment No. 3;

Other than this, there has been no material changes to the Group's unaudited combined capitalisation and net financial indebtedness since 30 September 2019.

9.2 Capitalisation

	Company		Group			
	As at	Adjustment		Other adjustments		
(In USD million)	30 September	Reorganisation	Group as	Conversion of		Total as
	2019	1 4 5	adjusted	loans ²	Offering ³	adjusted
INDEBTEDNESS						
<i>Total current debt:</i>						
Guaranteed	-	-	-	-	-	-
Secured	-	-	-	-	-	-
Unguaranteed/ unsecured	-	115.6	115.6	(31.2)	-	84.4
<i>Total non-current debt:</i>						
Guaranteed	-	-	-	-	-	-
Secured	-	-	-	-	-	-
Unguaranteed/unsecured	-	206.6	206.6	(10.1)	-	196.5
Total indebtedness	-	322.2	322.2	(41.3)	-	280.9
SHAREHOLDERS' EQUITY						
Share capital	-	1.9	1.9	-	0.5	2.4
Share premium	-	275.0	275.0	41.3	164.5	480.8
Other equity	-	-	-	-	-	-
Total shareholders' equity	-	276.9	276.9	41.3	165.0	441.9
Total capitalisation	-	599.1	599.1	-	165.0	764.1

1. Reorganisation refers to the Reorganisation as described in Section 13.6.4 "The Reorganisation" and represents the Company's acquisition of the Dussafu, Maromba and Kudu assets, incl. the completion of Maromba field acquisition and related restructure activities.

- Shareholder debt which was converted into equity in BW Energy Limited in two tranches: (1) in October 2019 (USD 31.2 million) and (2) in January 2020 (USD 10.1 million).
- Assuming net proceeds from the Offering of USD 165 million in additional equity (gross proceeds of approximately USD 175.0 million in additional equity through the Offering and expenses related to the Offering and Listing of approximately USD 10 million).
- Total current debt includes short-term lease liabilities associated with operating leases accounted for under IFRS 16 (USD 19 million), as well as trade and other payables (USD 96.2 million) and income tax liabilities (USD 0.4 million).
- Total non-current debt includes long term lease liabilities associated with operating leases accounted for under IFRS 16 (USD 158 million), asset retirement obligations associated with the Company's future potential abandonment costs (USD 15.5 million), deferred tax liabilities (USD 2.7 million) and long-term related parties payables (USD 30.4 million).

9.3 Net financial indebtedness

	Company		Group			
	As at 30 September 2019	Adjustment Reorganisation 1 4 5	Group as adjusted	Other adjustments		Total as adjusted
				Loan conversion ²	Offering ³	
<i>In USD million</i>						
(A) Cash	-	85.4	85.4	-	165.0	250.4
(B) Cash equivalents .	-	-	-	-	-	-
(C) Interest bearing receivables.....	-	-	-	-	-	-
(D) Liquidity						
(A)+(B)+(C)	-	85.4	85.4	-	165.0	250.4
(E) Current financial receivables.....	-	17.7	17.7	-	-	17.7
(F) Current bank debt	-	-	-	-	-	-
(G) Current portion of non-current debt.....	-	-	-	-	-	-
(H) Other current financial debt.....	-	115.6	115.6	(31.2)	-	84.4
(I) Current financial debt (F)+(G)+(H) ..	-	115.6	115.6	(31.2)	-	84.4
(J) Net current financial indebtedness (I)- (E)-(D)	-	12.5	12.5	(31.1)	(165.0)	(183.6)
(K) Non-current bank loans	-	-	-	-	-	-
(L) Bonds issued	-	-	-	-	-	-
(M) Other non-current debt	-	206.6	206.6	(10.1)	-	196.5
(N) Non-current financial indebtedness						
(K)+(L)+(M)	-	206.6	206.6	(10.1)	-	196.5
(O) Net financial indebtedness						
(J)+(N)	-	219.1	219.1	(41.3)	(165.0)	(7.2)

- Reorganisation refers to the Reorganisation as described in Section 13.6.4 "The Reorganisation" and represents the Company's acquisition of the Dussafu, Maromba and Kudu assets, incl. the completion of Maromba field acquisition and related restructure activities.
- Shareholder debt which was converted into equity in BW Energy Limited in two tranches: (1) in October 2019 (USD 31.2 million) and (2) in January 2020 (USD 10.1 million).
- Assuming net proceeds from the Offering of USD 165 million in additional equity (gross proceeds of approximately USD 175.0 million in additional equity through the Offering and expenses related to the Offering and Listing of approximately USD 10 million).
- Total current debt includes short-term lease liabilities associated with operating leases accounted for under IFRS 16 (USD 19 million), as well as trade and other payables (USD 96.2 million) and income tax liabilities (USD 0.4 million).
- Total non-current debt includes long term lease liabilities associated with operating leases accounted for under IFRS 16 (USD 158 million), asset retirement obligations associated with the Company's future potential abandonment costs (USD 15.5 million), deferred tax liabilities (USD 2.7 million) and long-term related parties payables (USD 30.4 million).

9.4 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

9.5 Contingent and indirect indebtedness

As at 30 September 2019 and as at the date of the Prospectus, the Group did not have any contingent or indirect indebtedness, with the exception of the pending second and third tranches of the Maromba acquisition costs of USD 85 million to be paid to the sellers. See Section 11.8 "Borrowings and other contractual obligations".

10 SELECTED FINANCIAL AND OTHER INFORMATION

10.1 Introduction and basis for preparation

The following selected financial information has been derived from the BW Energy Group's audited combined financial statements as at, and for the years ended, 31 December 2018, 2017 and 2016 (the Combined Financial Statements) and the BW Energy Group's unaudited condensed combined interim financial information as at, and for the nine month periods ended, 30 September 2019 and 2018 (the Condensed Combined Interim Financial Information), as well as the Company's audited statement for financial position as of 30 September 2019 (the Statement of Financial Position). The audited Combined Financial Statements have been prepared in accordance with IFRS, the Condensed Combined Interim Financial Information have been prepared in accordance with IAS 34 and the Statement of Financial Position has been prepared in accordance with IFRS. The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to the Financial Information incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

The Company was incorporated on 22 May 2019 and certain companies in the Group became part of the Group during 2019. Thus, the Combined Financial Statements and the Condensed Combined Interim Financial Information are the combined financial statements of the BW Energy Group (as defined in Section 21.1 "Definitions" and in the Combined Financial Statements and Condensed Combined Interim Financial Information incorporated by reference hereto, cf. Section 20.4 "Incorporation by reference"), which for the period up until 31 December 2018 does not include the Company, BW Energy Maromba B.V and BW Maromba Holdings Pte Ltd.

The combined financial statements of the BW Energy Group, as of 31 December 2018, 2017, and 2016, and for the years then ended, included in this Prospectus, have been audited by KPMG AS, independent auditors, as stated in their report incorporated by reference herein. The audit report includes an emphasis of matter paragraph to highlight note 2 of the combined financial statements which describes the basis of preparation, including the approach to and the purpose for preparing them.

With respect to the unaudited condensed combined interim financial information as at and for the nine month periods ended 30 September 2019 and 2018, incorporated by reference herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the BW Energy Group's Condensed Interim Combined Financial Information for the nine month period ended 30 September 2019, and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The report includes an emphasis of matter paragraph to highlight note 1 of the condensed combined interim financial information which describes the basis of preparation, including the approach to and the purpose for preparing them.

The statement of financial position of BW Energy Limited (the Company), as of 30 September 2019, included in this prospectus, has been audited by KPMG AS, independent auditors, as stated in their report incorporated by reference herein.

See Section 20.4 "Incorporation by reference".

10.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, see notes 2 and 3 of the Combined Financial Statements as at, and for the year ended, 31 December 2018, incorporated by reference hereto, see Section 20.4 "Incorporation by reference".

10.3 Selected combined statements of profit/ (loss) and statements of comprehensive income/ (loss)

The table below sets out selected data derived from the BW Energy Group's unaudited condensed combined interim income statements of profit/ (loss) and condensed combined statements of comprehensive income for the nine month periods ended 30 September 2019 and 2018 and from the audited combined statements of income and combined statements of comprehensive income for the years ended 31 December 2018, 2017 and 2016.

<i>In USD million</i>	Nine months ended 30 September		Year ended 31 December		
	2019	2018	2018	2017	2016
Total revenues	189.7	1.6	39.2	-	-
Operating expenses	(55.3)	-	(17.9)	(2.6)	-

In USD million

	Nine months ended 30 September		Year ended 31 December		
	2019	2018	2018	2017	2016
Depreciation and amortisation	(53.4)	(0.4)	(8.0)	-	-
Net gain/ (loss) on sale of tangible fixed assets	0.3	-	-	-	-
Operating profit/ (loss)	81.3	1.2	13.3	(2.6)	-
Interest income	1.6	0.4	0.7	0.1	0.1
Interest expense	(0.4)	(0.2)	-	(0.2)	-
Net currency gain/ (loss)	2.1	(0.8)	(1.3)	(0.1)	-
Other financial items	(7.8)	3.1	2.9	-	-
Net financial items	(4.5)	2.5	2.3	(0.2)	0.1
Profit/ (loss) before tax	76.8	3.7	15.6	(2.8)	0.1
Income tax expense	(30.5)	(2.4)	(11.5)	(0.1)	-
Net profit/ (loss) for the period	46.3	1.3	4.1	(2.9)	0.1
NET PROFIT/ (LOSS) FOR THE PERIOD ATTRIBUTABLE TO					
Shareholders of the parent	31.8	0.8	2.6	(2.8)	0.1
Non-controlling interests	14.5	0.5	1.5	(0.1)	-
Net profit/ (loss) for the period	46.3	1.3	4.1	(2.9)	0.1
OTHER COMPREHENSIVE INCOME					
Items to be reclassified to profit or loss:					
Currency translation differences	0.3	(0.1)	(0.1)	-	-
Net items to be reclassified to profit or loss	0.3	(0.1)	(0.1)	-	-
Total comprehensive income/ (loss) for the period	46.6	1.2	4.0	(2.9)	0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO					
Shareholders of the parent	32.1	0.7	2.5	(2.8)	0.1
Non-controlling interests	14.5	0.5	1.5	(0.1)	-
Total comprehensive income/ (loss) for the period	46.6	1.2	4.0	(2.9)	0.1

10.4 Selected combined statements of financial position

The table below sets out selected data derived from the BW Energy Group's unaudited condensed interim combined statements of financial position as at 30 September 2019 and 2018 and from the audited combined statements of financial position as at 31 December 2018, 2017 and 2016.

In USD million

	As at 30 September		As at 31 December		
	2019	2018	2018	2017	2016
ASSETS					
Property, plant and equipment	196.3	185.1	182.4	56.4	-
Right-of-use assets	171.4	-	-	-	-
Intangible assets	88.7	26.5	35.6	3.9	-
Other non-current assets	2.6	7.3	8.4	2.2	-
Total non-current assets	459.0	218.9	226.4	62.5	-
Inventories	11.5	3.4	18.6	-	-
Trade and other current assets	17.7	6.7	39.5	7.6	-
Cash and cash equivalents	85.4	8.5	8.3	18.5	2.9
Assets held for sale	25.5	46.3	48.3	12.8	-
Total current assets	140.1	64.9	114.7	38.9	2.9
Total assets	599.1	283.8	341.1	101.4	2.9
EQUITY					
Contributed capital	152.0	52.8	152.8	32.8	0.8

In USD million

	As at 30 September		As at 31 December		
	2019	2018	2018	2017	2016
Other equity	30.7	(2.5)	(0.7)	(3.2)	(0.4)
Total equity attributable to shareholders of the parent.....	182.7	50.3	152.1	29.6	0.4
Non-controlling interests	94.2	26.4	77.4	15.9	-
Total equity	276.9	76.7	229.5	45.5	0.4
Deferred tax liabilities	2.7	-	0.9	-	-
Long-term lease liabilities	158.0	-	-	-	-
Asset retirement obligations.....	15.5	16.4	16.7	2.3	-
Other non-current liabilities	30.4	7.7	8.5	39.7	2.5
Total non-current liabilities	206.6	24.1	26.1	42.0	2.5
Trade and other payables	96.2	182.2	85.5	13.8	-
Lease liabilities current.....	19.0	-	-	-	-
Income tax liabilities	0.4	0.8	-	0.1	-
Total current liabilities	115.6	183.0	85.5	13.9	-
Total equity and liabilities	599.1	283.8	341.1	101.4	2.9

10.5 Selected combined statements of cash flows

The table below sets out selected data derived from the BW Energy Group's unaudited condensed combined statements of cash flows for the nine month periods ended 30 September 2019 and 2018 and from the audited combined statements of cash flows for the years ended 31 December 2018, 2017 and 2016.

In USD million

	Nine months ended 30 September		Year ended 31 December		
	2019	2018	2018	2017	2016
OPERATING ACTIVITIES					
Profit/ (loss) before tax	76.8	3.7	15.6	(2.8)	0.1
Currency exchange differences	(2.1)	0.8	1.3	0.1	-
Depreciation and amortisation	53.4	0.4	8.0	-	-
Changes in asset retirement obligation through income statement.....	0.8	0.1	0.3	0.1	-
Loss/(gain) sale of fixed assets	(0.3)	-	-	-	-
Add back of net interest expense.....	(1.6)	(0.4)	(0.7)	(0.1)	(0.1)
Changes in net working capital	63.1	24.3	(43.4)	(3.7)	-
Taxes paid.....	(28.3)	(1.6)	(10.8)	-	-
Net cash flows from/(used) in operating activities	161.8	27.3	(29.7)	(6.4)	-
INVESTING ACTIVITIES					
Investment in operating fixed assets.....	(48.1)	(148.6)	(159.9)	(14.2)	-
Investment in intangible assets	(57.2)	(22.6)	(31.9)	(3.9)	-
Proceeds from disposal of property, plant & equipment	28.6	-	-	-	-
Cash used in business combinations.....	-	-	-	(46.9)	-
Interest received	1.6	0.4	0.7	0.1	0.1
Net cash flows from/(used) in investing activities	(75.1)	(170.8)	(191.1)	(64.9)	0.1
FINANCING ACTIVITIES					
Proceeds from interest-bearing debt	38.3	136.1	213.2	70.9	2.5
Repayment of interest-bearing debt.....	(28.6)	(2.6)	(2.6)	-	-
Proceeds from transactions with non-controlling interest	1.3	-	-	16.0	-
Payment of lease liabilities.....	(20.6)	-	-	-	-
Net cash flows from financing activities	(9.6)	133.5	210.6	86.9	2.5
Net change in cash and cash equivalents	77.1	(10.0)	(10.2)	15.6	2.6
Cash and cash equivalents at beginning of the period.....	8.3	18.5	18.5	2.9	0.3
Cash and cash equivalents at end of the period	85.4	8.5	8.3	18.5	2.9

10.6 Selected combined statements of changes in equity

The table below sets out selected data derived from the BW Energy Group's audited combined statements of changes in equity for the years ended 31 December 2018, 2017 and 2016 and the unaudited condensed combined statements of changes in equity for the nine month periods ended 30 September 2019.

<i>In USD million (unaudited)</i>	Contributed capital	Currency translation reserve	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
Equity at 1 January 2016 .	0.8	(0.3)	(0.2)	0.3	-	0.3
Profit/ (loss) for the period...	-	-	0.1	0.1	-	0.1
Other comprehensive income	-	-	-	-	-	-
Total equity at 31 December 2016.....	0.8	(0.3)	(0.1)	0.4	-	0.4
Equity at 1 January 2017 .	0.8	(0.3)	(0.1)	0.4	-	0.4
Profit/ (loss) for the period...	-	-	(2.8)	(2.8)	(0.1)	(2.9)
Other comprehensive income/ (loss)	-	-	-	-	-	-
Additional contributed capital	32.0	-	-	32.0	-	32.0
Transactions with non-controlling interests.....	-	-	-	-	16.0	16.0
Total equity at 31 December 2017.....	32.8	(0.3)	(2.9)	29.6	15.9	45.5
Equity at 1 January 2018 .	32.8	(0.3)	(2.9)	29.6	15.9	45.5
Profit/ (loss) for the period...	-	-	2.6	2.6	1.5	4.1
Other comprehensive income/ (loss)	-	(0.1)	-	(0.1)	-	(0.1)
Additional contributed capital	120.0	-	-	120.0	-	120.0
Transactions with non-controlling interests.....	-	-	-	-	60.0	60.0
Total equity at 31 December 2018.....	152.8	(0.4)	(0.3)	152.1	77.4	229.5
Equity at 1 January 2019 .	152.8	(0.4)	(0.3)	152.1	77.4	229.5
Profit/(loss) for the period....	-	-	31.8	31.8	14.5	46.3
Other comprehensive income	-	0.3	-	0.3	-	0.3
Effects from new group composition.....	(0.8)	-	(0.7)	(1.5)	-	(1.5)
Transactions with non-controlling interests.....	-	-	-	-	2.3	2.3
Equity at 30 September 2019	152.0	(0.1)	30.8	182.7	94.2	276.9

10.7 The Company's Statement of Financial Position

The table below sets out the Company's audited Statement of Financial Position as at 30 September 2019.

<i>In USD</i>	As at 30 September 2019
ASSETS	
Short-term receivables.....	1
Total current assets.....	1
Total assets	1
EQUITY	
Share capital.....	1
Total equity	1

10.8 Revenues by geographic area

The table below sets out the BW Energy Group's revenue from contracts with customers and other revenue by geographic area for the three years ended 31 December 2019, 2018 and 2017 and for the nine months ended 30 September 2019 and 2018.

<i>In USD million</i>	Nine months ended 30 September		Year ended 31 December		
	2019	2018	2018	2017	2016
Africa ¹	189.7	1.6	39.2	-	-
Total revenue	189.7	1.6	39.2	-	-

10.9 Property, plant and equipment

BW Energy generally shares corporate offices with BW Offshore under a sub-lease arrangement, cf. Section 13 "Related party transactions". These locations include Singapore, Oslo (Norway), Rio de Janeiro (Brazil), Houston (USA) and Aberdeen (Scotland/UK). However, the Group also leases offices and properties in the countries in which it operates, namely Gabon and Namibia. The table below sets out an overview of key properties leased in Gabon and Namibia:

Location	Office type	2018 annual rent	Expiration of lease
Lot numéro 124 du domaine portuaire a Port Gentil, Gabon	Corporate office	CFA 48,000,000	31 December 2020
Lot numéro 151 du domaine portuaire a Port Gentil, Gabon	Drilling yard/offices	CFA 144,000,000	30 April 2020
Yard/pipe storage warehouse, doc facilities port, Port Gentil, Gabon	Dock facility/warehouse	Approx. EUR 306,000	31 October 2020
Pipeyard, next to Matériaux Reunies, Port Gentil, Gabon	Old harvest pipes yard	EUR 29,807.95	PO for six months (renewable)
SDV residence. Gabon	Residential villa	CFA 14,400,000	31 July 2019
Boulevard du Bord de Mer Immeuble Bord de Mer 3ieme Etage, Libreville, Gabon	Corporate office	CFA 56,893,644	12 February 2021
37 Feld St, Windhoek, Namibia	Corporate office	NAD 412,904	Automatic renewal
6 The Vintage Estate, Namibia	Residential	Nil (contracted in 2019)	14 February 2020

The Company is of the opinion that its premises are sufficient for its current business for the foreseeable future. There are no major encumbrances at the properties. Further, there are no environmental issues for the office leases.

10.10 Earnings per share

The Company was incorporated 22 May 2019 and the BW Energy Group was formed as part of the Reorganisation in October 2019. Consequently, it is not possible to calculate earnings per share for the periods covered by the Financial Information.

10.11 Independent auditor

The Company's independent auditor is KPMG AS with registration number 935 174 627 and registered address at Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS is a member of The Norwegian Institute of Public Accountants (*Nw.: Den norske Revisorforening*).

The combined financial statements of the BW Energy Group, as of 31 December 2018, 2017, and 2016, and for the years then ended, included in this Prospectus, have been audited by KPMG AS, independent auditors, as stated in their report incorporated by reference herein. The audit report includes an emphasis of matter paragraph to highlight note 2 of the combined financial statements which describes the basis of preparation, including the approach to and the purpose for preparing them.

With respect to the unaudited condensed combined interim financial information as at and for the nine month periods ended 30 September 2019 and 2018, incorporated by reference herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the BW Energy Group's Condensed Interim Combined Financial Information for the nine month period ended 30 September 2019, and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The report includes an emphasis of matter paragraph to highlight note 1 of the condensed combined interim financial information which describes the basis of preparation, including the approach to and the purpose for preparing them.

The statement of financial position of BW Energy Limited (the Company), as of 30 September 2019, included in this prospectus, has been audited by KPMG AS, independent auditors, as stated in their report incorporated by reference herein.

See Section 20.4 "Incorporation by reference".

11 OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 10 "Selected financial and other information" and the Combined Financial Statements and Condensed Combined Interim Financial Information and related notes incorporated by reference hereto, see Section 20.4 "Incorporation by reference". The following discussion 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 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 and Section 4.3 "Cautionary note regarding forward-looking statements" as well as other sections of this Prospectus.

11.1 Overview

BW Energy Limited is an exempted company limited by shares incorporated under the laws of Bermuda and in accordance with the Bermuda Companies Act. The Company is incorporated and domiciled in Bermuda. The Group owns majority participation interest in a total of three E&P licences: Dussafu, Maromba and Kudu. The Group's E&P licences and the blocks of oil fields that they relate to are described in detail in Section 8.6 "Overview of the Group's business".

As of the date of the Prospectus, the Group produces hydrocarbons at a rate of approximately 8,000 bopd net to the Group from the Dussafu block in Gabon. This is expected to increase to approximately 15,000 bopd during 2020 as the second phase of the development is brought onstream. The Maromba and Kudu blocks are in earlier development stages and the Group is currently working on maturing these assets towards project sanctioning. For further details, please refer to Section 8 "Business of the Group".

Production at Dussafu commenced in September 2018. Thus, the nine months ended 30 September 2019 is the first full period of operation activities at Dussafu. All financial statement items regarding operating income and expenses are largely influenced by this fact.

The Company was incorporated on 22 May 2019 and certain companies in the Group became part of the Group during 2019. Thus, the Combined Financial Statements and the Condensed Combined Interim Financial Information are the combined financial statements of the BW Energy Group (as defined in Section 21.1 "Definitions" and in the Combined Financial Statements and Condensed Combined Interim Financial Information incorporated by reference hereto, cf. Section 20.4 "Incorporation by reference"), which for the period up until 31 December 2018 does not include the Company, BW Energy Maromba B.V and BW Maromba Holdings Pte Ltd.

For a description of the Group's critical accounting policies and estimates, see notes 2 and 3 of the Combined Financial Statements incorporated by reference hereto, cf. Section 20.4 "Incorporation by reference".

11.2 Description of income statement line items

Revenues from contracts with customers

Revenue from the sale of crude oil is recognised when the performance obligation has been fulfilled, which is at delivery of oil to the customer. The Group sells crude oil solely to large and reputable international oil trading companies. The pricing of the crude oil is based on the at any time current market terms.

Other Revenues

Other revenues include primarily the BW Energy Group's portion of the crude oil production assigned to the State of Gabon as "state profit oil" in accordance with the terms of the Dussafu production sharing contract ("**State Profit Oil**"). BW Energy Group recognises other revenues from such State Profit Oil based on the production and crude oil price of each period.

Operating Expenses

Operating expenses consists of the BW Energy Group's share of expenses incurred in the production of crude oil sold, as well as the State Profit Oil produced during each period. Operating expenses related to the production of crude oil not sold during a period are included as part of the crude oil inventory balance.

Depreciation

Capitalized costs for oil & gas fields in production are depreciated individually (on a field level) using the unit-of-production method. The depreciation is calculated based on proved and probable reserves. The rate of depreciation is equal to the ratio of oil and gas production for the period over the estimated remaining proved and probable reserves expected to be recovered at the beginning of the period. The rate of depreciation is multiplied with the carrying value

plus estimated future capital expenditure necessary to develop any undeveloped reserves included in the reserve basis. The rate of depreciation associated with barrels produced but not sold during a period are then included as part of the crude oil inventory balance.

Any changes in the reserves estimate that affect unit-of-production calculations, are accounted for prospectively over the revised remaining reserves. Costs of developing commercial oil and/or gas fields (development costs for oil and gas properties) are capitalized. Capitalized development costs and acquisition cost of fields in development are classified as tangible assets (oil and gas properties).

Profit/loss on sale of fixed assets

Profit and loss on sale of fixed assets include primarily the result of transactions for the sale parts of BW Energy Group's working interest to the GOC.

Interest income

Interest income mainly consists of interest income accrued on BW Energy Group's time deposits or other financial instruments.

Interest expense

Interest expense consists of interest expenses associated with BW Energy Group's outstanding loans from its shareholders.

Net currency loss

Net currency losses consist of the results of the revaluation of BW Energy Group's monetary assets and liabilities held in currencies other than USD based on the exchange rates applicable to the end of each period.

Other financial items

Other financial items include mainly the expenses associated with the interest element related to lease liabilities recognized in accordance with IFRS 16 as well as the accretion of the Company's asset retirement liabilities.

Income tax expenses

Income tax expenses consists of current income taxes paid to the state of Gabon in the form of State Profit Oil. State Profit Oil is distributed based on the production of crude oil at each period according to the terms of the production sharing contract (PSC) pertaining to the Dussafu licence.

11.3 Recent developments and trends

Below is an overview of the developments and trends in the Group's business since 31 December 2018.

The Group continues to produce from the initial two wells drilled at Dussafu at a current rate of approximately 8,000 bopd (net). The Company also continues working on the execution of four additional producing wells at Tortue (Phase 2).

During 2019, the Company is also actively working on the development plan of the Ruche field, which lies 15 kilometres north west of the Tortue field. The Company plans to have final investment decision by Q4 2019 and first oil from Phase 3 during 2021.

The Group (through its subsidiary BW Energy Maromba do Brasil Ltda.) is the operator of and holds a 100% ownership interest in the licence pertaining to the Maromba block, offshore Brazil. The licence was acquired from Petrobras (70%) and Chevron (30%), and the relevant agreements between the parties were executed in March 2019 and closed in September 2019. The Company has also begun working on the development plan for Maromba, initially targeting Phase 1, which will be the development of heavy crude oil in the Maastrichtian reservoir.

On 11 October 2019, BW Energy entered into agreements to carry out each of the transactions that resulted in BW Energy acquiring the Dussafu, Maromba and Kudu assets (the Reorganisation). For a description of the Reorganisation, see Section 13.6.4 "The Reorganisation".

During Q4 2019 the Group has completed two offloading operations of a total of 1.4 million bbl (in addition to deliveries to cover domestic market obligations and state oil obligations). Average realised price was USD 63.77 per bbl.

For oil price developments, see Section 7.2.3 "The oil price". For gas price developments, see Section 7.3.3 "The gas prices".

11.4 Results of operations

11.4.1 Material factors affecting the BW Energy Group's results

The business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the financial results of the BW Energy Group, are affected by a number of factors, see Section 2 "Risk factors". Some of the factors that have influenced the BW Energy Group's financial condition and results of operations during the periods under review and which are expected to continue to influence the Group's business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the BW Energy Group's financial results, are:

Oil and Gas Prices

Oil prices were close to all-time highs for most of 2011, 2012, 2013 and the first half of 2014. However, during the second half of 2014, oil prices declined steeply and further into 2015 and 2016. Since then, prices have recovered substantially. As evidenced by the price changes in recent years, the oil price is highly dependent on the current and expected future supply and demand of oil. Changes in prices on the Group's products may lead to a material changes in net production revenues. Further, changes in oil and gas prices could result in substantial adjustments of oil and gas reserves. If this occurs, the Group may be required to adjust the carrying value of its proved oil and gas properties. Less reserves will lead to higher depreciation in the Group's income statement, all other things equal. Further, planned CAPEX spending may not be sustainable based on lower prices.

Developments in the global offshore oil and gas market

The Group's income is almost completely based on the sale of oil and gas. Thus, changes in oil and gas prices and fluctuations in investments in offshore developments and exploration results, will materially affect the Group's business, financial condition, results of operations and prospects. For instance, low oil prices may lead to a reduction in exploration as the Company may have to scale down its investment budgets, which could directly affect the results of the Group's operations and future prospects. Further, such developments affect the prices at which the Group is able to contract in FPSOs, which are central to the Group's operations.

Limited number of revenue streams

Only one of the Group's hydrocarbon fields is currently in production, and it will take years before the next field is expected to draw first oil. This leaves the Group with a limited number of revenue streams. The limited number of revenue streams may materially affect the Group's ability to explore and develop further fields, which would have a material effect on the Group's business, prospects, financial condition and results of operation. Changes in the revenue stream from this production location could affect the Group's prospects, financial condition and results of operation to a greater extent than it would for a company with several active production fields.

Reserves and contingent resources

The Group cannot measure the volumes in the reservoir directly. It will always have to rely on data from wellbore(s) or seismic surveys. Models to evaluate volumes of reserves and resources are in itself highly complex and the Group cannot guarantee that these models are correct. Actual production, revenues and expenditures with respect to reserves and resources may vary from estimates, and the variances may be material. If the assumptions upon which the estimates of the Group's oil and gas reserves or resources are proved to be incorrect, the Group may be unable to recover and/or produce the estimated levels or quality of oil or gas (and vice versa). Changes in reserves affect the Group's business, prospects, financial condition and results of operations.

Investments

Developing a field into production requires significant investments and implementation of technology over several years. Making these investments and implementing these technologies, usually under difficult conditions, can result in uncertainties about the amount of investment necessary, operating costs and additional expenses incurred as compared to the initial budget. Moreover, investments may be made on fields that turn out to not be commercially viable. The Company may incur higher or lower costs than budgeted. In addition, the Company may need to impair previously capitalized expenses for exploration wells on non-commercial fields.

Operating and Drilling Costs

Changes in the cost of field exploration, production and development would affect the Company's ability to invest in prospects and to purchase or hire equipment, supplies and services. Changes in the Company's ability to invest would negatively affect the Company's production and revenue. Current or future projected target dates for production may

be delayed and cost overruns may occur. Such factors may impact the extent to which the fields to be developed are fully funded or remain commercially viable and consequently may impact the Company's cash flows.

Environmental and health and safety regulations

The Company is subject to environmental regulation pursuant to a variety of international conventions and national regulations as well as applicable health and safety regulations. Compliance with the legislation may require significant expenditures and breaches may result in the imposition of fines and penalties in addition to loss of reputation. The Company may be subject to large fines if relevant regulations are breached, increasing costs and reducing profit. Further changes in current regulation may impact the Company as compliance costs may increase, reducing profit.

Other material factors

Other factors that are currently known to the Company and which may or have influenced BW Energy Group and are expected to continue to influence the Group's future results include, but are not limited to:

- changes in global economic conditions;
- restrictions on cash flows from the Company's subsidiaries;
- operational problems;
- uncertainty in estimation of reserves;
- civil, economic, political and military unrest in the areas in which the Group operates;
- the degree to which counterparties or partners meet their obligations;
- the degree to which the Group is able to attract and retain key management personnel and other employees;
- the implementation the Group's business strategy or growth management;
- political, governmental, social, legal and regulatory changes;
- adequacy of the Group's insurance to cover the Group's losses;
- litigation or other disputes;
- the Group's financing;
- availability of required additional capital;
- significant exchange or interest rate fluctuations; and
- the Listing.

11.4.2 Overview

The Group's net production was 10,230 bopd for the nine months ended 30 September 2019, compared to 464 bopd for the nine months ended 30 September 2018. The increase in bopd is due to the commencement of production from Dussafu during September 2018. For the period between the commencement of production at Dussafu and year-end 2018, the Group's production was 9,461 bopd.

The BW Energy Group's total operating profit amounted to USD 81.2 million for the nine months ended 30 September 2019, compared to an operating profit of USD 1.6 million for the nine months ended 30 September 2018. The increase is driven by revenues from crude oil sales from Dussafu. For the year ended 31 December 2018, total operating profit amounted to USD 13.3 million, compared to an operating loss of USD 2.6 million for the year ended 31 December 2017. The increase is due to the commencement of production from Dussafu during September 2018.

11.4.3 Nine months ended 30 September 2019 compared with nine months ended 30 September 2018

The table below is derived from the Condensed Combined Interim Financial Information for the nine months ended 30 September 2019 and 2018.

In USD million

	Nine months ended 30 September	
	2019	2018
Total revenues	189.7	1.6
Operating expenses	(55.3)	-
Depreciation and amortization	(53.4)	(0.4)
Net gain/(loss) on sale of tangible fixed assets	0.3	-
Operating profit/ (loss)	81.3	1.2
Interest income	1.6	0.4
Interest expense	(0.4)	(0.2)
Net currency gain/(loss)	2.1	(0.8)
Other financial items	(7.8)	3.1
Net financial items	(4.5)	2.5
Profit/ (loss) before tax	76.8	3.7
Income tax expense	(30.5)	(2.4)
Net profit/ (loss) for the period	46.3	1.3
Attributable to shareholders of the parent	31.8	0.8
Attributable to non-controlling interests	14.5	0.5
Net profit/ (loss) for the period	46.3	1.3
CONDENSED COMBINED STATEMENT OF COMPREHENSIVE INCOME/(LOSS)		
Items to be reclassified to profit or loss:		
Currency translation differences	0.3	(0.1)
Net items to be reclassified to profit or loss	0.3	(0.1)
Total comprehensive income/ (loss) for the period	46.6	1.2
Attributable to shareholders of the parent	32.1	0.7
Attributable to non-controlling interests	14.5	0.5
Total comprehensive income/(loss) for the period	46.6	1.2

The nine months ended 30 September 2019 is the first full period of operation activities from Dussafu (which commenced in September 2018). All financial statement items regarding an operating profit and expenses are largely influenced by this fact.

Total revenues

Revenues from contracts with customers for the nine-month period ended 30 September 2019 was USD 157.7 million, compared to USD 0 for the same period in 2018. The increase in revenue is due to the commencement of production from the Dussafu field in September 2018.

Other revenues for the nine-month period ended 30 September 2019 was USD 32.0 million, compared to USD 1.6 for the same period in 2018. The increase in revenue is due to the commencement of production from the Dussafu field in September 2018.

Operating expenses

Operating expenses for the nine-month period ended 30 September 2019 was USD 55.3 million, compared to USD 0 for the same period in 2018. The increase is due to the commencement of production from the Dussafu field in September 2018.

Depreciation and amortization

Depreciation and amortisation expenses for the nine-month period ended 30 September 2019 was USD 53.4 million, compared to USD 0.4 million for the same period in 2018. The increase is due to the commencement of production from the Dussafu field in September 2018, as well as depreciation of the IFRS 16 Right of Use assets starting January 2019.

Net gain/(loss) on sale of tangible fixed assets

For the nine-month period ended 30 September 2019, the BW Energy Group had a profit of USD 0.3 million related to the sale of fixed assets, compared to USD 0 for the same period in 2018. The increase is due to the completion of the farm out of a 10% interest in Dussafu to the Gabon Oil Company (GOC) in April 2019.

Operating profit/(loss)

As a result of the above, operating profit for the nine months ended 30 September 2019 was USD 81.3 million, compared to an operating profit of USD 1.2 million for the nine months ended 30 September 2018.

Interest income

For the nine-month period ended 30 September 2019, the BW Energy Group had interest income of USD 1.6 million, compared to USD 0.4 million for the same period in 2018. The increase is due interest accrued from the BW Energy Group's outstanding loan to Panoro for the development of Dussafu, interest earned through the BW Energy Group's receivable from a BW Offshore affiliate company in Brazil and to interest earned in the BW Energy Group's cash balance during 2019.

Interest expense

For the nine-month period ended 30 September 2019, the BW Energy Group had interest expenses of USD 0.4 million, compared to USD 0.2 for the same period in 2018. The increase is due to interest associated with related party loan facilities.

Net currency gains/(loss)

For the nine-month period ended 30 September 2019, the BW Energy Group had net currency gains of USD 2.1 million, compared to net currency losses of USD 0.8 million for the same period in 2018. The variance is mainly due to gains in connection with the Company's reorganization associated with the Maromba asset during 2019.

Other financial items

For the nine-month period ended 30 September 2019, the BW Energy Group had other financial items expenses of USD 7.8 million, compared to income of USD 3.1 million for the same period in 2018. The increase in financial expenses is mainly caused by interest expenses relating to lease liabilities recognized in January 2019 as part of the implementation of IFRS 16.

Income tax expense

For the nine months ended 30 September 2019, the BW Energy Group had income tax expenses of USD 30.5 million, compared to USD 2.4 million for the same period in 2018. The increase is mainly due to the State Profit Oil distributed to the state of Gabon since September 2018, in accordance with the terms of the Dussafu production sharing contract.

11.4.4 Year ended 31 December 2018 compared with year ended 31 December 2017

The table below is derived from the Combined Financial Statements for the years ended 31 December 2018 and 2017.

In USD million

	Year ended 31 December	
	2018	2017
Total revenues	39.2	-
Operating expenses	(17.9)	(2.6)
Depreciation and amortisation	(8.0)	-
Operating profit/ (loss)	13.3	(2.6)
Interest income	0.7	0.1
Interest expense	-	(0.2)
Net currency loss	(1.3)	(0.1)

In USD million

	Year ended 31 December	
	2018	2017
Other financial items	2.9	-
Net financial items.....	2.3	(0.2)
Profit/ (loss) before tax	15.6	(2.8)
Income tax expense.....	(11.5)	(0.1)
Net profit/ (loss) for the year.....	4.1	(2.9)
NET PROFIT/ (LOSS) FOR THE YEAR ATTRIBUTABLE TO		
Shareholders of the parent	2.6	(2.8)
Non-controlling interests	1.5	(0.1)
Net profit/ (loss) for the year.....	4.1	(2.9)
COMBINED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)		
Items to be reclassified to profit or loss:		
Currency translation differences	(0.1)	-
Net items to be reclassified to profit or loss	(0.1)	-
Total comprehensive income/ (loss) for the year	4.0	(2.9)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO		
Shareholders of the parent	2.5	(2.8)
Non-controlling interests	1.5	(0.1)
Total comprehensive income/(loss) for the year	4.0	(2.9)

September 2018 to year-end 2018 is the first period of operation activities from Dussafu (as production commenced in September 2018). All financial statement items on operating profit and expenses are largely influenced by this fact.

Total revenues

Revenues from Crude oil for the year ended 31 December 2018 was USD 28.6 million, compared to USD 0 for the year ended 31 December 2017. The increase in revenue is due to the commencement of production from the Dussafu field during September 2018.

Other revenues for the year ended 31 December 2018 was USD 10.6 million, compared to USD 0 for the year ended 31 December 2017. The increase in revenue is due to the commencement of production from the Dussafu field during September 2018.

Operating expenses

Operating expenses for the year ended 31 December 2018 was USD 17.9 million, compared to USD 2.6 million for the year ended 31 December 2017. The increase is due to the commencement of production from the Dussafu field during September 2018.

Depreciation and amortisation

Depreciation expenses for the year ended 31 December 2018 was USD 8.0 million, compared to USD 0 for the year ended 31 December 2017. The increase is due to the commencement of production from the Dussafu field during September 2018.

Operating profit/(loss)

Operating profit for the year ended 31 December 2018 was USD 13.3 million, compared to an operating loss of USD 2.6 million for the year ended 31 December 2017 driven by the commencement of operations at Dussafu.

Interest income

For the year ended 31 December 2018, the BW Energy Group had interest income of USD 0.7 million, compared to USD 0.1 million for the year ended 31 December 2017. The increase is due interest accrued from the BW Energy Group's outstanding loan to Panoro for the development of Dussafu, interest earned through the BW Energy Group's receivable from a BW Offshore affiliate company in Brazil and to interest earned in the BW Energy Group's cash balance during 2018.

Interest expense

For the year the year ended 31 December 2018, the BW Energy Group had interest expenses of USD 0.0 million, compared to USD 0.2 million for the year ended 31 December 2017. The decrease is due to interest associated with related party loan facilities converted to equity in the group.

Net currency loss

For the year ended 31 December 2018, the BW Energy Group had net currency losses of USD 1.3 million, compared to USD 0.1 million for the year ended 31 December 2017. The increase is mainly due increased exposure to transactions denominated in Central African Francs during 2018.

Other financial items

For the year ended 31 December 2018, the BW Energy Group had other financial items income of USD 2.9 million, compared to other financial items expense of nil for the year ended 31 December 2017. This is due to capitalized financial costs in the BW Energy Group's operations at Dussafu.

Income tax

For the year ended 31 December 2018, the BW Energy Group had income tax expenses of USD 11.5 million, compared to USD 0.1 million for the year ended 31 December 2017. The increase is mainly due to the State Profit Oil distributed to the state of Gabon since September 2018, in accordance to the terms of the Dussafu PSC.

11.4.5 Year ended 31 December 2017 compared with year ended 31 December 2016

The table below is derived from the Combined Financial Statements for the years ended 31 December 2017 and 2016.

In USD million

	Year ended 31 December	
	2017	2016
Total revenue.....	-	-
Operating expenses	(2.6)	-
Depreciation and amortization	-	-
Operating profit/ (loss)	(2.6)	-
Interest income	0.1	0.1
Interest expense	(0.2)	-
Net currency loss	(0.1)	-
Other financial items	-	-
Net financial items.....	(0.2)	0.1
Profit/ (loss) before tax	(2.8)	0.1
Income tax expense.....	(0.1)	-
Net profit/ (loss) for the year.....	(2.9)	0.1
NET PROFIT/ (LOSS) FOR THE YEAR ATTRIBUTABLE TO		
Shareholders of the parent	(2.8)	0.1
Non-controlling interests	(0.1)	-
Net profit/ (loss) for the year.....	(2.9)	0.1
COMBINED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)		
Items to be reclassified to profit or loss:		
Currency translation differences	-	-
Net items to be reclassified to profit or loss	-	-
Total comprehensive income/ (loss) for the year	(2.9)	0.1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO		
Shareholders of the parent	(2.8)	0.1
Non-controlling interests	(0.1)	-
Total comprehensive income/ (loss) for the year	(2.9)	0.1

Operating expenses

Operating expenses for the year ended 31 December 2017 was USD 2.6 million, compared to USD 0 from 2016. The increase is due to the costs associated with the acquisition of a total 91.67% working interest in the Dussafu licence, which was completed during 2017. As set out in Section 8.6.5 "Dussafu", the working interest was reduced by 10% in 2019 through a sale/farm out to GOC.

Interest income

For the year ended 31 December 2017, the BW Energy Group had interest income of USD 0.1 million, compared to USD 0.1 for the year ended 31 December 2016. Interest income is generated from the short term investment of excess liquidity in short term time deposits from BW Energy Group's Brazilian and Dutch subsidiaries.

Interest expense

For the year ended 31 December 2017, the BW Energy Group had interest expenses of USD 0.2 million, compared to USD 0 for the same period from 2016. The increase was due to interest associated with related party loan facilities.

Income tax

For the year ended 31 December 2017, the BW Energy Group had income tax expenses of USD 0.1 million, compared to USD 0 for the year ended 31 December 2016. The increase was due to current income taxes accrued on related party financing arrangements.

11.5 Financial position*11.5.1 Introduction*

The BW Energy Group's total assets has increased significantly due to the continued development of the Dussafu field and the implementation of IFRS 16. Total assets amounted to USD 599.1 as at 30 September 2019 compared to USD 341.1 million as at 31 December 2018. The operations of the Group are financed primarily through equity and ongoing cash flows from operating activities.

As at 30 September 2019, total equity amounted to USD 276.9 million compared to USD 229.5 million as at 31 December 2018.

11.5.2 As at 30 September 2019 compared with as at 31 December 2018

The table below sets out the BW Energy Group's combined statements of financial position as at 30 September 2019 and 31 December 2018.

In USD million

	As at 30 September 2019	As at 31 December 2018
ASSETS		
Property, plant and equipment	196.3	182.4
Right-of-use assets	171.4	-
Intangible assets	88.7	35.6
Other non-current assets	2.6	8.4
Total non-current assets.....	459.0	226.4
Inventories	11.5	18.6
Trade and other current assets	17.7	39.5
Cash and cash equivalents	85.4	8.3
Assets held for sale.....	25.5	48.3
Total current assets.....	140.1	114.7
Total assets	599.1	341.1
EQUITY		
Contributed capital	152.0	152.8
Other equity	30.7	(0.7)
Total equity attributable to shareholders of the parent	182.7	152.1
Non-controlling interests	94.2	77.4
Total equity	276.9	229.5

In USD million

	As at 30 September 2019	As at 31 December 2018
Deferred tax liabilities	2.7	0.9
Long-term related parties payables	30.4	8.5
Long-term lease liabilities	158.0	-
Asset retirement obligations	15.5	16.7
Total non-current liabilities	206.6	26.1
Trade and other payables	96.2	85.5
Short-term lease liabilities	19.0	-
Income tax liabilities	0.4	-
Total current liabilities	115.6	85.5
Total equity and liabilities	599.1	341.1

As at 30 September 2019, total assets were USD 599.1 million compared to USD 341.1 million as at 31 December 2018. The increase in total assets is mainly driven by (1) the adoption of IFRS 16 on 1 January 2019, (2) the execution of Phase 1 production at Dussafu, (3) the appraisal drilling at the Dussafu block, and (4) the Phase 2 development at Dussafu.

Total liabilities increased to USD 322.2 million as at 30 September 2019 compared to USD 111.6 million as at 31 December 2018. The increase is primarily driven by the adoption of IFRS 16 on 1 January 2019.

Assets & liabilities

Property, plant and equipment increased to USD 196.3 million as at 30 September 2019 compared to USD 182.4 as at 31 December 2018. The increase is due to the start-up of Phase 2 expenditures for Dussafu.

Intangible assets increased to USD 88.7 million as at 30 September 2019 compared to USD 35.6 as at 31 December 2018. The increase is due to costs associated with the drilling of the "Hibiscus" appraisal well and initial costs incurred with the initial payment for the acquisition of the Maromba field in Brazil.

Right of use assets has been initially recognised as of January 2019 in accordance with the adoption of IFRS 16. On a net basis, right of use assets represents USD 171.4 million as at 30 September 2019. This amount is primarily related to the operating lease of the FPSO BW Adolo and other leases working on the Dussafu project.

Inventories as at 30 September 2019 represent USD 11.5 million, compared to USD 18.6 as at 31 December 2018. The decrease is due to lower crude oil inventory held at the Dussafu field at of 30 September 2019.

Trade and other current assets as at 30 September 2019 were USD 17.7 million compared to USD 39.5 million as at 31 December 2018. The decrease is primarily due to (1) collection of proceeds from oil sold in December 2018 and (2) collections from the loan arrangement extended to a partner from the Dussafu field.

Cash and cash equivalents as at 30 September 2019 were USD 85.4 million compared to USD 8.3 million as at 31 December 2018. The increase is due to cash proceeds generated from crude oil sales from December 2018 through September 2019.

Assets held for sale as at 30 September 2019 were USD 25.5 million compared to USD 48.3 million as at 31 December 2018. The decrease is due to the completion of the sale/farm-out of a 10% working interest to the Gabon Oil Company during 2019.

Total equity as at 30 September 2019 was USD 276.9 million, compared to USD 229.5 million as at 31 December 2018. The increase is due to the results from operations from Dussafu.

Asset retirement obligations as at 30 September 2019 were USD 15.5 million, compared to USD 16.7 million as at 31 December 2018. The decrease is due to the sale/farm-out of a 10% working interest to the Gabon Oil Company partially offset by accretion of the period between 31 December 2018 and 30 September 2019.

Trade and other payables as at 30 September 2019 were USD 96.2 million, compared to USD 85.5 million as at 31 December 2018. The increase is mainly attributed to the initial payment for the acquisition of the Maromba field, offset by the completion of Phase 1 drilling at Dussafu during 2018.

11.5.3 Year ended 31 December 2018 compared with the year ended 31 December 2017

The table below sets out the BW Energy Group's combined statements of financial position for the years ended 31 December 2018 and 2017.

In USD million

	As at 31 December	
	2018	2017
ASSETS		
Property, plant and equipment	182.4	56.4
Intangible assets	35.6	3.9
Other non-current assets	8.4	2.2
Total non-current assets.....	226.4	62.5
Inventories	18.6	-
Trade and other current assets	39.5	7.6
Cash and cash equivalents	8.3	18.5
Assets held for sale.....	48.3	12.8
Total current assets.....	114.7	38.9
Total assets	341.1	101.4
EQUITY		
Contributed capital	152.8	32.8
Other equity	(0.7)	(3.2)
Total equity attributable to shareholders of the parent	152.1	29.6
Non-controlling interests	77.4	15.9
Total equity	229.5	45.5
Deferred tax liabilities	0.9	-
Asset retirement obligations.....	16.7	2.3
Other non-current liabilities	8.5	39.7
Total non-current liabilities	26.1	42.0
Trade and other payables	85.5	13.8
Tax liabilities.....	-	0.1
Total current liabilities	85.5	13.9
Total equity and liabilities	341.1	101.4

As at 31 December 2018, total assets were USD 341.1 million compared to USD 101.4 million at 31 December 2017. The increase in total assets is mainly driven by (1) completion of development of phase 1 development and (2) the execution of the appraisal drilling at the Dussafu block during the third quarter of 18, as well as (3) the start of Phase 2 development at Dussafu.

Total liabilities increased to USD 111.6 million as at 31 December 2018 compared to USD 55.9 million at 31 December 2017. The increase is primarily driven by short term liabilities associated with ongoing development of Phase 2 as well as Dussafu operating expenses.

Assets & liabilities

Property, plant and equipment increased to USD 182.4 million as at 31 December 2018 compared to USD 56.4 as at 31 December 2017. The increase is due to (1) completion of development of phase 1 development and (2) the start of Phase 2 development at Dussafu.

Intangible assets increased to USD 35.6 million as at 31 December 2018 compared to USD 3.9 as at 31 December 2017. The increase is due to costs associated with the drilling of the "Ruche NE" appraisal well as well as initial costs incurred with the Maromba field in Brazil and the Kudu field in Namibia.

Other non-current assets represent USD 8.4 million as of 31 December 2018 compared to USD 2.2 million as of 31 December 2017. The increase is due to receivables associated with a carry arrangement for phase 1 development costs entered into with one of the partners in the Dussafu development.

Inventories as at 31 December 2018 USD 18.6 million, compared to USD 0 as of 31 December 2017. The increase is due to crude oil inventory and spare equipment held at the Dussafu field as of 31 December 2018.

Trade and other current assets as at 31 December 2018 were USD 39.5 million compared to USD 7.6 million at 31 December 2017. The increase is primarily due to (1) proceeds due from the sale of oil completed in December 2018 and (2) receivables from a loan arrangement extended to a partner from the Dussafu field.

Cash and cash equivalents were USD 8.3 million as of 31 December 2018 compared to USD 18.5 million as of 31 December 2017. The decrease is due to timing of expenditures associated with development of phase 1 and phase 2 at Dussafu.

Assets held for sale were USD 48.3 million as at 31 December 2018 compared to USD 12.8 million as at 31 December 2017. The increase is due to continued revaluation of the GOC and the Tullow Oil sale/farm-out agreements due to phase 1 development at Dussafu during 2018.

Total equity was USD 229.5 million as at 31 December 2018 compared to USD 45.5 million as at 31 December 2017. The increase is due to investments in the Dussafu field made in connection with Phase 1 as well as from the results from operations from Dussafu since first oil during September 2018.

Asset retirement obligations were USD 16.7 million as of 31 December 2018 compared to USD 2.3 million as of 31 December 2017. The increase is due to completion of two producing wells part of the phase 1 drilling program in Dussafu.

Other non-current liabilities were USD 8.5 million as of 31 December 2018 compared to USD 39.7 million as of 31 December 2017. The decrease is due to conversion of shareholder loans associated with the Dussafu field into equity during 2018.

Trade and other payables were USD 85.5 million as of 31 December 2018 compared to USD 13.8 million as of 31 December 2017. The increase is mainly attributed to costs associated with Phase 1 drilling as well as operations at Dussafu.

11.5.4 Year ended 31 December 2017 compared with the year ended 31 December 2016

The table below sets out the BW Energy Group's combined statements of financial position for the period ended 31 December 2017 and 2016.

In USD million

	As at 31 December	
	2017	2016
ASSETS		
Property, plant and equipment	56.4	-
Intangible assets	3.9	-
Other non-current assets	2.2	-
Total non-current assets.....	62.5	-
Trade and other current assets.....	7.6	-
Cash and cash equivalents	18.5	2.9
Assets held for sale.....	12.8	-
Total current assets.....	38.9	2.9
Total assets	101.4	2.9
EQUITY		
Contributed capital	32.8	0.8
Other equity	(3.2)	(0.4)
Total equity attributable to shareholders of the parent	29.6	0.4
Non-controlling interests	15.9	-

In USD million

	As at 31 December	
	2017	2016
Total equity	45.5	0.4
Asset retirement obligations.....	2.3	-
Other non-current liabilities	39.7	2.5
Total non-current liabilities	42.0	2.5
Trade and other payables	13.8	-
Tax liabilities.....	0.1	-
Total current liabilities	13.9	-
Total equity and liabilities	101.4	2.9

As at 31 December 2017, total assets were USD 101.4 million compared to USD 2.9 million from 31 December 2016. Total liabilities increased to USD 87.5 million as at 31 December 2017 compared to USD 2.5 million as at 31 December 2016. The increase in total assets and liabilities was primarily driven by the acquisition of the Dussafu field during April 2017 and the subsequent commencement of the development of Phase 1 at Dussafu.

Property, plant and equipment increased to USD 56.4 million as at 31 December 2018 compared to USD 0 as at 31 December 2017. The increase was due to acquisition of the Dussafu licence and the related commencement of Phase 1 development at Dussafu.

Intangible assets increased to USD 3.9 million as at 31 December 2017 compared to USD 0 during December 31, 2017. The increase was due to initial costs incurred in the Kudu field.

Other non-current assets increased to USD 2.2 million as at 31 December 2017 compared to USD 0 as at 31 December 2016. The increase was due to a loan arrangement with Panoro for the development of Dussafu Phase 1, which is associated with the acquisition of a 25% interest from Panoro during 2017 (described in Section 8.6.5 "Dussafu").

Trade and other current assets increased to USD 7.6 million as at 31 December 2017 compared to USD 0 as at 31 December 2016. The increase was due to milestone payments for equipment to be used in the development of Dussafu Phase 1.

Cash and cash equivalents increased to USD 18.5 million as at 31 December 2017 compared to USD 2.9 as at 31 December 2016. The increase was mainly due to the funding of Phase 1 development at Dussafu.

Assets held for sale as at 31 December 2017 were USD 12.8 million compared to USD 0 as at 31 December 2016. The increase was due to the initial recognition of the GOC's purchase of 10% of the BW Energy Group's working interest in the Dussafu field, which was completed in April 2019.

As at 31 December 2017, total equity was USD 45.5 million compared to USD 0.4 million as at 31 December 2016. The increase was due to the completion of acquisition of the Dussafu license in April 2017.

Asset retirement obligations as at 31 December 2017 were USD 2.3 million, compared to USD 0 as at 31 December 2016. The increase was due to the initial recognition of the retirement liabilities for two exploration wells that the former majority owner of the Dussafu licence (Harvest Natural Resources, Inc.) drilled prior to the BW Energy Group's acquisition of the majority ownership interest in the Dussafu licence.

Other non-current liabilities as at 31 December 2017 were USD 39.7 million, compared to USD 2.5 million as at 31 December 2016. The increase was due to related party loan agreements to fund ongoing investments in Dussafu and Kudu.

Trade and other payables as at 31 December 2017 were USD 13.8 million, compared to USD 0 as at 31 December 2016. The increase was due to ongoing investments in Dussafu and Kudu.

Tax liabilities as at 31 December 2017 were USD 0.1 million compared to USD 0 as at 31 December 2016. The increase was due to current taxes accrued in Singapore associated to related party financing arrangements.

11.6 Liquidity and capital resources

11.6.1 Sources and use of cash

The Group's primary source of liquidity is equity injected by its shareholders as well as its cash flow from operations in Dussafu.

The Group's expected liquidity needs for the 12-month period following the date of this Prospectus primarily relate to (net for the Group's ownership interests):

- Capital expenditure for Phase 2 development at Dussafu - estimated to amount to USD 115 million.
- Capital expenditure for Ruche 1 development at Dussafu - estimated to amount to USD 85 million.
- The costs for one exploration well in Dussafu – estimated to amount to USD 17 million.
- The Maromba Phase 1 development – estimated to amount to USD 32.5 million.

The expected liquidity needed for the activities presented above for the coming 12-month period is USD 250 million.

Management believes that cash flows from operations and existing liquidity will be adequate to support the liquidity need described above.

11.6.2 Balance sheet data

As at 30 September 2019, the BW Energy Group had USD 85.4 million in cash and equivalents, primarily originated from the sale of crude oil since fourth quarter of 2018. During the period from September 2018 through September 2019, the BW Energy Group completed five offloading operations of crude oil to its customer.

The Group holds the majority of its cash position in USD. A portion of the Group's cash position is held in Central African Francs (CFA) and Brazilian Reals (BRL). Cash held in foreign currency is mainly used to support local expenditures at the Group's operating locations in Gabon and Brazil and are held to cover primarily short-term needs. Therefore, the Group does not have a material exposure to currency rate fluctuations.

11.6.3 Cash received from subsidiaries

The Group does not have significant obstacles or barriers to transfer funds to it from its subsidiaries that may affect its ability to meet or fulfil its financial or other obligations.

11.6.4 Cash flows

11.6.4.1 Overview

The table below summarises the BW Energy Group's historical cash flows, and is extracted from the Financial Information, for each of the financial periods presented.

<i>In USD million</i>	Nine months ended 30 September		Year ended 31 December		
	2019	2018	2018	2017	2016
Net cash flows from/(used) in operating activities	161.8	27.3	(29.7)	(6.4)	-
Net cash flows from/(used) in investing activities	(75.1)	(170.8)	(191.1)	(64.9)	0.1
Net cash flows from/(used) in financing activities	(9.6)	133.5	210.6	86.9	2.5
Net change in cash and cash equivalents	77.1	(10.0)	(10.2)	15.6	2.6
Cash and cash equivalents at beginning of the period	8.3	18.5	18.5	2.9	0.3
Cash and cash equivalents at end of the period	85.4	8.5	8.3	18.5	2.9

11.6.4.2 Cash flows from operating activities

Nine months ended 30 September 2019 compared with nine months ended 30 September 2018

Net cash flows from operating activities for the nine months ended 30 September 2019 were USD 161.8 million, compared to USD 27.3 million for the nine months ended 30 September 2018. The cause of the increase in cash flows was the achievement of first oil from Dussafu during September 2018 and related completion of four oil cargo liftings from Dussafu during the nine months ended 30 September 2019.

Year ended 31 December 2018 compared with the year ended 31 December 2017

Net cash flows used in operating activities for the year ended 31 December 2018 were USD 29.7 million, compared to USD 6.4 million for the year ended 31 December 2017. The increase in cash flows used in operating activities is due to changes in working capital items associated with the commencement of activities from Dussafu, particularly from receivables and crude oil inventory.

Year ended 31 December 2017 compared with the year ended 31 December 2016

Net cash flows used in operating activities for the year ended 31 December 2017 were USD 6.4 million, compared to USD 0 million for the year ended 31 December 2016. The increase in cash flows was due to the completion of the Dussafu acquisitions.

11.6.4.3 Cash flows from investing activities

Nine months ended 30 September 2019 compared with nine months ended 30 September 2018

Net cash flows used in investing activities for the nine months ended 30 September 2019 were USD 75.1 million, compared to USD 170.8 million for the nine months ended 30 September 2018. The main cause of the change in cash flows was the completion of the Phase 1 development at Dussafu during September 2018 and completion of the Rouche NE appraisal well. Cash flows from investments activities during 2019 were also positively impacted by the completion of the farm out of a 10% interest in the Dussafu PSC to the GOC and the related collection of USD 28.5 million.

Year ended 31 December 2018 compared with the year ended 31 December 2017

Net cash flows used in investing activities for the year ended 31 December 2018 were USD 191.1 million, compared to USD 64.9 million for the year ended 31 December 2017. The main cause of the change in cash flows was the completion of the Phase 1 development at Dussafu during September 2018 and completion of the Rouche NE appraisal well.

Year ended 31 December 2017 compared with the year ended 31 December 2016

Net cash flows used in investing activities for the year ended 31 December 2017 were USD 64.9 million, compared to net cash flows from investing activities of USD 0.1 million for the year ended 31 December 2016. The main cause of the change in cash flows was the completion of the acquisition of the Dussafu and initial investments for the development of Phase 1 during 2017.

11.6.4.4 Cash flows from financing activities

Nine months ended 30 September 2019 compared with nine months ended 30 September 2018

Net cash flows used in financing activities for the nine months ended 30 September 2019 were USD 9.6 million, compared to a cash generation of USD 133.5 million for the nine months ended 30 September 2018. The main cause of the change in cash flows was the completion of the Phase 1 development and Rouche NE Well at Dussafu during September 2018 and the related equity injection and loans made by the Company's shareholders. Additionally, BW Energy Group repaid part of its debt to its Shareholders during the first quarter of 2019.

Year ended 31 December 2018 compared with the year ended 31 December 2017

Net cash flows generated in financing activities for the year ended 31 December 2018 were USD 210.6 million, compared to USD 86.9 million for the year ended 31 December 2017. The increase was due to equity investments made by shareholders for the purpose of financing the ongoing investments in Dussafu.

Year ended 31 December 2017 compared with the year ended 31 December 2016

Net cash flows generated in financing activities for the year ended 31 December 2017 were USD 86.9 million, compared to USD 2.5 million for the year ended 31 December 2016. The increase was due to the equity invested by the shareholders for the completion of the acquisition of Dussafu during 2017.

11.7 Investments*11.7.1 Principal historical investments*

The Group's investing activities primarily relate to the acquisition of production licenses and related development costs.

The table below shows the BW Energy Group's principal historical capital expenditures and investments derived from the combined statement of cash flows for the nine months ended 30 September 2019 and 2018.

<i>In USD million</i>	Nine months ended 30 September	
	2019	2018
Investment in property, plant, equipment and intangible assets	(105.3)	(171.2)
Proceeds from disposal of property, plant & equipment	28.6	-
Interest received	1.6	0.4
Net cash flows from investing activities	(75.1)	(170.8)

The table below shows the BW Energy Group's principal historical capital expenditures and investments derived from the combined statement of cash flows for the years ended 31 December 2018, 2017 and 2016.

<i>In USD million</i>	Year ended 31 December		
	2018	2017	2016
Investment in operating fixed assets.....	(159.9)	(14.2)	-
Investment in intangible assets	(31.9)	(3.9)	-
Cash used in business combinations.....	-	(46.9)	-
Interest received	0.7	0.1	0.1
Net cash flows from/ (used in) investing activities	(191.1)	(64.9)	0.1

Between 2016 and 2017, the BW Energy Group acquired its interests in licenses pertaining to Kudu and Dussafu. Subsequently, the BW Energy Group's investment activities have been mainly focused on the development and appraisal drilling programs for Dussafu, in which the BW Energy Group has invested USD 210 million. The acquisition of Dussafu and related development and appraisal drilling expenditures have been financed primarily through equity from the Company's shareholders.

Investment in field development is a major part of the Group's operations. The investments consist of building requisite operating facilities, drilling of production wells along with installation of technologies to produce hydrocarbons.

There has been continued capital expenditures and investments since the date of the Financial Statements as of and the nine months ended 30 September 2019 and to the date of this Prospectus as detailed below under Section 11.7.2 Principal investments in progress and planned principal investments.

11.7.2 Principal investments in progress and planned principal investments

The Group has planned future investments in its production licences as of 30 September 2019 in the amount of USD 1,590.6 million as detailed in the table below:

<i>In USD million</i>	2019	2020	2021	2022	2023	2024 thereafter	Total
INVESTING ACTIVITIES							
Tortue Phase 2 development.....	(22.5)	(113.9)	-	-	-	-	(136.4)
Ruche Phase 1 development	(3.1)	(86.0)	(143.5)	(78.1)	-	-	(310.8)
Ruche Phase 2 development	-	-	-	(32.7)	(117.8)	(18.5)	(169.1)
Dussafu exploration program	(15.5)	(16.8)	-	-	-	-	(32.3)
Maromba Phase 1 development	-	(32.5)	(66.0)	(221.3)	(0.1)	-	(320.0)
Maromba Phase 2 development	-	-	-	(11.6)	(58.8)	(471.7)	(542.0)
Maromba acquisition	-	-	(25.0)	(55.0)	-	-	(80)
Net cash flows from/ (used in) investing activities	(41.1)	(249.3)	(234.6)	(398.7)	(176.8)	(490.2)	(1,590.6)

For Dussafu, all future investments for Phase 2 through to 2021 are firm and committed. Investments in Phase 3 of the Dussafu development are planned but not committed as the Company recently made a concept selection and final

investment decision during Q4 2019. The planned exploration expenditures in Dussafu includes the drilling of three exploration wells, of which one is firm and committed and two are planned and uncommitted.

For Maromba, acquisition expenditure is contingent upon contractual triggers (e.g.: regulatory approval, drilling activity and/or production). All development costs for Maromba are planned but uncommitted until the Company completes design selection and final investment decision.

The Group intends to use most of the proceeds from the Offering, as well as the RBL and cash flow from production to finance these investments. With the proceeds from the Offering and the RBL funds in addition to cash flow from production, the Company will be able to execute its investment program and be adequately financed for a period of more than five years.

The Group intends to use a portion of the net proceeds from the Offering to capital investments related to Tortue Phase 2 and the Greater Ruche Area in the Dussafu licence, development of Maromba phase 1 in Brazil, and potential further exploration and appraisal activity in the Dussafu licence. The remaining proceeds will be used for general corporate purposes and a general strengthening of liquidity as the Company enters a period of material growth investments.

11.8 Borrowings and other contractual obligations

11.8.1 Material borrowings

As of 30 September 2019, the Company carried a long-term loan from one of its shareholders in the amount of USD 18.6 million. The loan term includes interest charges accrued at the rate of 3% per annum plus 6-month Libor. As of January 2020, the Company settled all outstanding loan balances with shareholders through payment in cash.

11.8.2 Other contractual obligations

11.8.2.1 Maromba acquisition

BW Energy (through its subsidiary BW Energy Maromba do Brasil Ltda) is the operator of and holds a 100% ownership interest in the licence pertaining to the Maromba block. The licence was acquired from Petrobras (70%) and Chevron (30%) for a total acquisition cost of USD 115 million, and the relevant agreements between the parties were closed during Q3 2019.

In accordance with the sale agreements with Petrobras and Chevron, the acquisition price will be paid over three milestones as the development progresses towards first oil. The first milestones in the total amount of USD 30 million was due on receipt of ANP operator approval and formal sanction of the transaction. The second milestone of USD 25 million is due at start of drilling activities and the third milestone-payment, representing the remaining USD 55 million, is due at first oil or 3 years after the start of drilling activities, whichever comes first.

After reaching first oil and in the event Magma exercises its option to enter into the field as a partner, the Group will recover 16.67% of the acquisition from Chevron's interest plus interest in accordance with the terms of a memorandum of understanding entered into with Magma.

11.9 Financial risk management

11.9.1 Introduction

The BW Energy Group is part of the BW Offshore Limited's group which includes a central finance division. The division has the responsibility of financing, treasury management and financial risk management for the entire BW Offshore Limited's group of companies. The key risks and risk management strategies are segmented into categories of risks and presented below.

11.9.2 Financial risk management

Activities expose the BW Energy Group to a variety of financial risks: price risk (including currency risk, commodity risk and market risk), credit risk, liquidity risk and interest rate risk.

BW Offshore Limited's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the its financial performance. A finance management team led by the Chief Financial Officer identifies and evaluates financial risks in close co-operation with operating units. The finance management team's activities are governed by policies approved by the Board of Directors for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, and investing

excess liquidity. The finance management team will report to Management, the audit committee and the Board of Directors on the status on activities on a regular basis.

The BW Energy Group does not use financial instruments, including financial derivatives, for trading purposes.

11.9.3 Market risk management

Offshore production of oil and gas is in decline after several years of under-investment. This will likely become more evident in coming years, as production tied to investments made in the previous up-cycle has now commenced and is subject to natural decline. The global balance of crude oil supply and demand has tightened.

Combined with lower break-even costs as a result of increased cost efficiency and significant oil exploration asset repricing, this is expected to lead to more projects being sanctioned going forward. This improves the market outlook for offshore field developments in particular. Initially, BW Energy Group expects increased focus on incremental investments tied to existing infrastructure, with green-field investments following later in the cycle.

11.9.4 Credit risk management

The risk of counterparties being financially incapable of fulfilling their obligations is regarded as minor as there have not historically been any losses on accounts receivable. The BW Energy Group's customer and licence partners are credit worthy oil companies.

11.9.5 Liquidity risk management

The BW Energy Group's liquidity risk is the risk that it will not be able to meet its financial obligations due to shortage of funds. The BW Energy Group's objective is to maintain sufficient cash, internally generated cash flows, and the availability of funding resources through its holding and related companies. The BW Energy Group maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations. On a monthly basis the BW Energy Group assesses the need for additional funding by its owners and partners.

11.9.6 Foreign currency risk management

The functional currency of the combining companies is mainly USD. In general, operating revenues and a significant portion of operating expenses as well as most interest-bearing debt are denominated in USD. The BW Energy Group is exposed to expenses and investments incurred in currencies other than USD ('foreign currencies'); the major currencies being Central Africa CFA Franc ('CFA'), Euro ('EUR') and Brazilian Reals ('BRL'). Operating expenses denominated in CFA and EUR constitute a part of total operating expenses. Consequently, fluctuations in the exchange rate on CFA, BRL, and EUR may have impact on the financial statements.

11.9.7 Interest rate risk management

Except for the amount due to and from related parties, the BW Energy Group's operating cash flows are not affected by changes in market interest rates.

11.9.8 Commodity price risk management

Since November 2018, BW Energy Group revenues are derived from the sale of petroleum products related to the Dussafu license. The revenue is, and will going forward, be increasingly exposed to fluctuations in the oil price. The BW Energy Group has not entered into oil price hedging contracts per 31 December 2018.

11.10 Significant change

There have been no significant changes in the financial or trading position of the Group since the date of the Condensed Combined Interim Financial Information for the nine months ended 30 September 2019, which have been incorporated by reference into the Prospectus, see Section 20.4 "Incorporation by reference".

12 BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

12.1 Board of Directors

12.1.1 Overview of the Board of Directors

The Board of Directors is responsible for the overall management of the Company and may exercise all of the powers of the Company not reserved to the Company's Shareholders by its Bye-laws or Bermuda law. The Bye-laws provide that the Company's Board of Directors shall consist of not less than two Directors or such number in excess thereof as the Shareholders may determine. The Board of Directors is divided into two classes that are, as nearly as possible, of equal size. Except at the initial general meeting at which the classes of directors is adopted, each class of directors is elected for a two-year term of office, but the terms are staggered so that the term of only one class of directors expires at each annual general meeting.

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 authorise 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 Director or as a result of an increase in the size of the Board of Directors, the Shareholders has the power to appoint a Director to fill the vacancy.

The Board of Directors consists of five Directors, as listed in the table in Section 12.1.2 "The Board of Directors" below.

Pursuant to the Norwegian Code of Practice for Corporate Governance dated 17 October 2018 (the "**Corporate Governance Code**"), (i) the majority of the shareholder-elected members of the Board of Directors should be independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder-elected members of the Board of Directors should be independent of the Company's main Shareholders (i.e. shareholders holding more than 10% of the Shares in the Company), and (iii) no members of the Company's executive management should be on the Board of Directors.

With the exception of Andreas Sohmen-Pao and Marco Beenen, all Directors are independent of the Company's significant business relations and main Shareholders.

The Company's registered office address at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, serves as the business address for the directors in relation to their directorships of the Company.

12.1.2 The Board of Directors

The names and positions, current term and shareholding of the Directors are set out in the table below.

Name	Position	Served since	Current term expires	Shares
Andreas Sohmen-Pao ¹	Chairman	29 November 2019	2020	-
Marco Beenen.....	Director	29 November 2019	2020	-
William Russell Scheirman II	Director	1 November 2019	2020	-
Tormod Vold.....	Director	1 November 2019	2020	-

1. BW Group owns 57,090,033 Shares. BW Group is owned by a company controlled by corporate interests associated with the Sohmen family. Andreas Sohmen-Pao is a member of the Sohmen family.

As at the date of this Prospectus, none of the Directors hold any options or other rights to acquire Shares.

12.1.3 Brief biographies of the Directors

Set out below are brief biographies of the Directors, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a Director is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Andreas Sohmen-Pao, Chairman

Andreas Sohmen-Pao has held various positions within the BW Group and its predecessor company World-Wide Shipping. Mr. Sohmen-Pao is currently Chairman of BW Group, BW LPG, Hafnia, Epic Gas and BW Offshore, and was previously Chief Executive Officer from September 2004 to March 2015. He is currently Chairman of Singapore Maritime Foundation and a non-executive director of Singapore's National Parks Board. Mr. Sohmen-Pao is also a trustee of the Lloyd's Register Foundation. He has previously served as a non-executive director of The Hongkong and Shanghai Banking Corporation, the Maritime and Port Authority of Singapore, The London P&I Club, Sport Singapore and The Esplanade

amongst others. Prior to joining BW, Mr. Sohmen-Pao worked at Goldman Sachs International in London. He was educated at Oxford University in England, graduating in 1993 with a double first class honours degree in Oriental Studies. Mr. Sohmen-Pao also holds an MBA with distinction from Harvard Business School. He is an Austrian citizen and resides in Singapore.

Current directorships and senior management positions.... BW Group Limited (Bermuda) (Chairman), BW Offshore Limited (Bermuda) (Chairman), BW LPG Limited (Bermuda) (Chairman), Hafnia Limited (Bermuda) (Chairman), Epic Gas Ltd. (British Virgin Islands) (Chairman), BW Ventures Limited (Bermuda) (Director), National Parks Board (Singapore) (Board member), Singapore Maritime Foundation (Singapore) (Chairman), Skymark Company S.A. (Panama) (Vice President), Golden Alpha Pte. Ltd. (Singapore) (Chairman), Inchona Services Limited (Bermuda) (President), Lloyd's Register Foundation (Trustee), Alpha Ori Technology Holdings Pte Ltd (Singapore) (Chairman), BioGill Environmental Pty Ltd (Australia) (Director) and BW Group subsidiaries (subsidiary directorship).

Previous directorships and senior management positions last five years..... The Hongkong and Shanghai Banking Corporation Ltd (Hong Kong) (Non-Executive Director), The Esplanade Co Ltd (Singapore) (Board member), Maritime and Port Authority of Singapore (Singapore) (Board member), Newton Company S.A. (Panama) (Vice President and Treasurer), Sport Singapore (Singapore) (Board member), BW Ventures Limited (Cyprus) (Director), BW Ventures Pte. Ltd. (Singapore) (Director), BW Offshore AS (Norway) (Director), Advanced Marine Coatings Limited (Cyprus) (Director), Singapore Symphonia Company Limited (Singapore) (Director), Womar Holdings LLC (Marshall Islands) (Director) and BW Group subsidiaries (subsidiary directorship).

Marco Beenen, Director

Marco Beenen is the Chief Executive Officer of BW Offshore Limited and has 25 years' experience in the oil and gas industry. Mr Beenen joined BW Offshore in 2012 as Vice-President Business Development, followed by the position as Senior Vice-President, Fleet, responsible for the operations in West Africa. He was appointed Chief Operating Officer of BW Offshore in March 2016, responsible for the global operations and development of BW Offshore's fleet of FPSOs and FSOs. Mr Beenen was appointed Chief Executive Officer of BW Offshore with effect from 1 July 2019. Prior to joining BW Offshore, Mr Beenen has held executive positions in the Netherlands and USA as President of GustoMSC Inc and Vice President Engineering with SBM Offshore. He holds a master's degree in Naval Architecture and Offshore Hydrodynamics of Delft University of Technology. Mr Beenen is a Dutch citizen.

Current directorships and senior management positions.... BW Offshore Limited (CEO)

Previous directorships and senior management positions last five years..... BW Offshore Limited (COO)

William Russell Scheirman II, Director

William Russell Scheirman II has more than 35 years of experience in management positions in the oil and gas industry. Mr. Scheirman was with VAALCO Energy, Inc. from 1991 to 2015. During his time at VAALCO, Mr. Scheirman was responsible for overseeing the day-to-day operations of VAALCO's exploration, drilling and production areas and coordination of new business ventures in Asia, West Africa and onshore United States. He served in a series of managerial positions, including, Chief Financial Officer, President and Chief Operating Officer and as a member of the Board of Directors. Prior to joining VAALCO, Mr. Scheirman began his career with the Production Department of Exxon where he worked in reservoir engineering and corporate planning. He also worked for McKinsey and Company in their energy-consulting group in Houston. Mr. Scheirman holds a B.S. and M.Sc. in Mechanical Engineering from Duke University, and an MBA from California Lutheran University. William Russell Scheirman is an independent board member and a United States citizen.

Current directorships and senior management positions.... SynthIntel Corporation (director and president) and 1818 LP (general partner)

Previous directorships and senior management positions last five years..... President and Director of VAALCO Energy, Inc. (COO)

Tormod Vold, Director

Tormod Vold is a former senior executive with more than 35 years of experience from the oil and gas industry. Mr. Vold has broad experience from a number of exploration and production operating companies, the majority of which formed part of a long career within Royal Dutch Shell's international operating units. Assignments included Ivory Coast, Brunei, The Netherlands, Nigeria, Oman, Egypt in a variety of roles including technical, project management, commercial, economics, strategic planning and general management. From 2010 to 2014, he was Technical Director for Shell Gabon responsible for drilling, sub-surface disciplines, facilities engineering, projects and business and development planning. Mr. Vold holds an M.Sc. from the University of Technology and Science (NTH/NTNU) in Trondheim, Norway, and received extensive training as part of Shell's Leadership Development Programs, including Business Leadership qualifications from INSEAD, Fontainebleau, France. Tormod Vold is an independent board member and a Norwegian citizen.

Current directorships and senior management positions.... -

Previous directorships and senior management positions last five years..... -

12.1.4 Changes to the Board of Directors in connection with the Listing

Hilde Drønen will join the Board of Directors as an independent board member in connection with the Listing. Accordingly, the Board of Directors will consist of the following members upon Listing:

Name	Position	Served since	New term expires	Shares
Andreas Sohmen-Pao ¹	Chairman	29 November 2019	2022	-
Marco Beenen.....	Director	29 November 2019	2022	-
William Russell Scheirman II	Director	1 November 2019	2022	-
Tormod Vold.....	Director	1 November 2019	2021	-
Hilde Drønen	Director	Appointment to take effect from Listing	2021	-

1. BW Group owns 57,090,033 Shares. BW Group is owned by a company controlled by corporate interests associated with the Sohmen family. Andreas Sohmen-Pao is a member of the Sohmen family.

Below is a brief biography for Hilde Drønen.

Hilde Drønen, Director

Hilde Drønen currently holds the position of CFO in DOF ASA, an offshore and subsea services provider listed on the Oslo Stock Exchange. She holds a master's degree from the Norwegian Business School (BI) in Oslo and an MBA from the Norwegian School of Economics (NHH) in Bergen. She has more than 20 years of experience in the oil and gas industry, and she has held senior positions in the Møgster Group, DOF Group and Bergen Yards (Bergen Group ASA). In addition to several directorships in companies within the DOF Group, she has had several directorships in external companies and is currently a member of the board of directors of Statkraft. Hilde Drønen is a Norwegian citizen and will be an independent board member upon Listing.

Current directorships and senior management positions.... Statkraft AS (board member), DOF Subsea AS (board member) and Beerenberg AS.

Previous directorships and senior management positions last five years..... DOF Subsea Holding AS (board member), Anoma AS (board member), Waveney AS (board member), Norskan Holding AS (CEO and board member), Altinex AS (board member), Bergen Næringsråd (board member), PSV Invest I AS (board member), Norskan Norway AS (chairman), Noreco Norway AS (board member) and Norwegian Energy Company ASA (board member)

12.2 Management

12.2.1 Overview

The Company's senior management team consists of four individuals. The names of the members of Management as at the date of this Prospectus, and their respective positions, are presented in the table below:

Name	Current position within the Group	Employed with the Group since	Shares
Carl Krogh Arnet	Chief Executive Officer	1 July 2019	1,730,001 ²

Name	Current position within the Group	Employed with the Group since	Shares
Knut R. Sæthre.....	Chief Financial Officer	(contracted in) ¹	-
Lin Garner Espey	Chief Operating Officer	(contracted in) ¹	-
Thomas Kolanski	Head of Business Development	(contracted in) ¹	-

1 Hired through BW Offshore.

2 The shares are held by Arnet Energy Pte Ltd, which is wholly-owned by Carl Krogh Arnet.

The Company's registered office address at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, serves as the business address for the members of Management in relation to their engagement with the Company.

As at the date of this Prospectus, none of the members of the Management holds any options or other rights to acquire Shares.

12.2.2 Brief biographies of the members of Management

Set out below are brief biographies of the members of Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Carl Krogh Arnet, Chief Executive Officer

Carl Krogh Arnet holds the position as Chief Executive Officer of BW Energy. Mr Arnet has been employed as the Chief Executive Officer of BW Energy since 1 July 2019 (previously held the same position in BW Offshore). He has also been the Managing Director of APL since 1996. Prior to joining APL, Mr Arnet had various positions at Norsk Hydro in the period from 1981 to 1996, including Offshore Installation Manager and Vice President. He holds a M.Sc. from the Norwegian University of Science and Technology (NTNU) and an MBA from the Norwegian School of Management (BI). Mr Arnet holds a number of other board memberships and chairmanships in companies not related to the oil and gas sector. Mr Arnet is a Norwegian citizen.

Current directorships and senior management positions.... Maritime and Port Authority of Singapore (Director) and Kolbjørn Invest I AS (Director).

Previous directorships and senior management positions last five years..... Nofamo Greåkerveien 85 AS (Vice Chairman), Nofamo AS (Vice Chairman), Kolbjørn Invest II AS (chairman), APL Property AS, BW Offshore Limited, Canal Street AS, pl Technology AS, APL Norway AS, Wireless Net Communications AS (Vice Chairman) and Nexus Floating Production Ltd (Vice Chairman).

Knut R. Sæthre, Chief Financial Officer

Knut R. Sæthre holds the position as Chief Financial Officer in BW Energy (previously held the same position in BW Offshore). Mr. Sæthre came from the position as Finance Director of APL (Advanced Production & Loading) Plc and President of APL Norway. Mr. Sæthre has his background within finance and the offshore industry, and he has more than 25 years of international experience. He was previously employed by Aker Kværner and ABB, holding several executive positions, like Senior Vice President and CFO. He holds a lic.rer.pol. degree from the University of Fribourg, Switzerland and an MBA degree in strategic management from the Norwegian School of Economics and Business Administration (NHH). Knut Sæthre is a Norwegian citizen.

Current directorships and senior management positions.... Sparebanken Sør (alternate director).

Previous directorships and senior management positions last five years..... Dronningsgate 33 AS (board member), BW Offshore Limited (CFO).

Lin Garner Espey, Chief Operation Officer

Lin Garner Espey holds the position as Chief Operating Officer in BW Energy. Mr. Espey was previously employed as the Head of E&P of BW Offshore since 1 July 2017. Prior to joining BW Offshore, Mr. Espey was employed at British Gas, BP, Vaalco and Memorial Resource Development in the period from 1991 to 2016. Mr. Espey held various managerial and technical positions of increasing responsibilities. Mr. Espey's training by background is reservoir and production engineering, field development as well as economic evaluation. Mr. Espey holds a Bachelor of Science in Petroleum Engineering from The University of Texas at Austin. Mr. Espey is a member of the University of Texas System Chancellor's Council. Lin Garner Espey is a US citizen.

Current directorships and senior management positions.... Union Seaboard Corporation (President, board member), San Andres Corporation (President, board member), Espey Investments (Managing Partner), Seaboard Production Partners (Managing Partner).

Previous directorships and senior management positions last five years..... Memorial Resource Development (Vice President)

Thomas Kolanski, Head of Business Development

Thomas Kolanski is the Head of Business Development for BW Energy located in Houston, Texas. Prior to BW Energy, Thomas was the Vice-President of Business Development and General Manager of BW Offshore USA. He 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. 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. He has 15 years of industry experience and has worked for companies such as Technip, Wellstream and SBM. Thomas Kolanski is a US citizen.

Current directorships and senior management positions -

Previous directorships and senior management positions last five years -

12.3 Remuneration and benefits

12.3.1 Remuneration of the Board of Directors

The Company has a limited operating history and has, at the date of this Prospectus, not entered into any agreements with its Directors regarding remuneration. It is expected that the general meeting of the Company will decide on the Directors' remuneration after the Listing.

12.3.2 Remuneration of Management

The Board of Directors will establish guidelines for the remuneration of the members of the Management with effect from the Listing. The Company aims to offer competitive remuneration based on current market standards, as well as the Company and individual performance.

The Company was incorporated in 2019, and the CEO of the Company, Carl Krogh Arnet, assumed the position of CEO on 1 July 2019. Consequently, the CEO did not receive any remuneration from the Company in 2018. For 2019, the CEO's wages were based on market standards.

Other than the CEO, Management is contracted in from BW Offshore, and they receive no remuneration from the Group as employees. The services agreement is described in Section 13 "Related party transactions".

No members of Management have any bonus arrangements with BW Energy as at the date of this Prospectus, but may in the future receive bonus payments at the discretion of the Board of Directors. The Company may also in the future chose to implement a management incentive scheme.

12.4 Benefits upon termination

Management is not entitled to any benefits from the Company upon termination.

12.5 Pensions and retirement benefits

Management is not entitled to any pension or retirement benefits from the Company.

12.6 Loans and guarantees

No company in the Group has granted any loans, guarantees or other commitments to any of its Directors or to any member of Management.

12.7 Employees

As at the date of this Prospectus, the Group has 22 full-time employees (not including consultants and hired-in personnel, but including personnel on time-bound definite employment contracts). Most of these employees are based in Gabon and perform support services with respect to supply chain management, operation, production, safety, accounting, human capital and office administration to BW Energy Gabon SA's office. The table below shows the development in the numbers of full-time employees over the last three years.

	As at the date of the Prospectus	Year ended 31 December		
		2018	2017	2016
Total Group	22	8	0	0

The Group engages consultants for carrying out drilling, operation, production and subsea activities. These consultants are generally on rotational contracts, working 28 days in country (e.g. Gabon) and then have 28 days off. Some consultants are on one to two year contracts, but most of the consultants have one-year contracts. The consultants are generally assigned to specific projects and cannot be utilised for other projects without establishing supplemental agreements under the consultancy agreements. All consultants are subject to the Group's HSE procedures.

12.8 Nomination committee

The Company intends to appoint a nomination committee in accordance with the recommendations set out in the Corporate Governance Code at the 2020 annual general meeting of the Company. The nomination committee shall give recommendations for the election of Directors and members of the nomination committee and make recommendations for remuneration to the Directors and the members of the nomination committee.

12.9 Audit committee

With effect from the Listing, the Board of Directors shall establish an audit committee. The members of the audit committee will be Hilde Drønen (chairperson) and William Russell Scheirman II. The primary purposes of the audit committee will be to:

- assist the Board of Directors in discharging its duties relating to the safeguarding of assets, the operation of adequate system and internal controls, the control processes and the preparation of accurate financial reporting and statements in compliance with applicable legal requirements, corporate governance and accounting standards;
- provide support to the Board of Directors on the risk profile and risk management of the Group; and
- interact with internal and external auditors.

The audit committee shall report and make recommendations to the Board of Directors, but the Board of Directors shall retain responsibility for implementing such recommendations.

12.10 Remuneration committee

In connection with Listing, the Board of Directors will establish a remuneration committee consisting of members chosen among the Directors. The primary purpose of the remuneration committee will be to prepare guidelines for the remuneration of the Management and prepare for the discussion of the Board of Directors of specific remuneration matters and prepare matters relating to other material employment issues in respect of the Management.

12.11 Corporate governance

Prior to the Listing, the Company will adopt and will from the Listing implement a corporate governance regime which complies with the Corporate Governance Code, with the following exceptions:

Deviation from section 2 "Business": In accordance with common practice for Bermuda incorporated companies, the Company's objects as set out in the Memorandum of Association are wider and more extensive than recommended in the Corporate Governance Code.

Deviation from section 3 "Equity and dividends": Pursuant to Bermuda law and common practice for Bermuda incorporated companies, the Board of Directors has wide powers to issue any authorised but unissued Shares on such terms and conditions as it may decide, subject to any resolution of the Company's members to the contrary. The Board of Directors may further exercise all powers of the Company to purchase the Shares. The powers of the Board of Directors to issue and purchase Shares are neither limited to specific purposes nor to a specified period as recommended in the Corporate Governance Code.

Deviation from section 5 "Freely negotiable shares": The Shares are freely negotiable and the Company's constitutional documents do not impose any transfer restrictions on the Shares other than as set out below. The Bye-laws include a right for the Board of Directors to decline to register certain transfers of Shares and may direct the VPS Registrar to

decline (and the VPS Registrar shall decline if so requested) to register the transfer of any interest in a Share where such transfer would likely result in 50% or more of the aggregate issued and outstanding Shares or votes of the Company being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or such Shares being effectively connected to a Norwegian business activity, or the Company being deemed a "Controlled Foreign Company" pursuant to Norwegian tax rules. The purpose of this provision is to avoid that the Company is deemed a "Controlled Foreign Company".

Deviation from section 6 "General meetings": The Chairman of the Board of Directors will chair the Company's general meetings unless otherwise resolved by majority vote. This is mainly due to the fact that the Bye-laws of the Company provide, as is common under Bermuda law, that the Chairman of the Board of Directors shall, as a general rule, chair the general meetings.

Deviation from section 7 "Nomination committee": Any member of the Board of Directors who is also a member of the nomination committee may offer himself for re-election to the Board of Directors. This has been implemented to ensure continuity in the Board of Directors and the nomination committee.

12.12 Conflicts of interests etc.

During the last five years preceding the date of this Prospectus, none of the Directors and members of the Management has, or had, as applicable:

- any convictions in relation to fraudulent offences;
- been involved in any bankruptcies, receiverships, liquidations or companies put into administration where he/she has acted as a member of the administrative, management or supervisory body of a company, nor as partner, founder or senior manager of a company; and
- received any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), nor been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of affairs of any issuer.

Save as described below, there are currently no other actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Directors and members of the Management, including any family relationships between such persons:

- BW Group, a major shareholder of BW Energy and the largest shareholder of BW Offshore (which in turn is the largest shareholder of BW Energy), is owned by a company controlled by corporate interests associated with the Sohmen family. The Chairman of the Board of Directors, Andreas Sohmen-Pao, is a member of the Sohmen family.
- Carl Krogh Arnet is the Chief Executive Officer and a shareholder of the Company, and he is also a shareholder and member of the board of directors of BW Offshore, the largest shareholder of BW Energy.
- Marco Beenen is a Director, and is also the CEO of BW Offshore, the largest shareholder of BW Energy.
- Management, except for the CEO, is contracted from BW Offshore, the largest shareholder of BW Energy.
- Lin Espey, COO, may over time be entitled to certain payments (conditional upon certain targets being met) from the Group under an earn-out structure set forth in the agreement described in Section 13.5.1 "Seaboard Production Partners, LLC".

13 RELATED PARTY TRANSACTIONS

13.1 Introduction

Below is a summary of the Group's related party transactions for the periods covered by the historical financial information and up to the date of this Prospectus. For further information on related party transactions of the Group, see note 15 of the Combined Financial Statements and note 6 of the Interim Financial Information, both incorporated by reference hereto, cf. Section 20.4 "Incorporation by reference".

13.2 Overview of related parties transactions in the years ended 31 December 2018, 2017 and 2016

The table below sets forth the related party payables in the years ended 31 December 2018, 2017 and 2016.

<i>In USD million</i>	Year ended 31 December		
	2018	2017	2016
LONG-TERM RELATED PARTIES PAYABLES¹			
BW Offshore Singapore Pte. Ltd.	8.5	31.1	2.5
Maple Company Limited	-	8.6	-
Total long-term related parties payables	8.5	39.7	2.5
SHORT-TERM RELATED PARTIES PAYABLES			
BW Offshore Norway AS.....	0.2	0.1	-
BW Offshore (UK) Ltd.	2.5	0.1	-
BW Offshore USA Management, Inc.....	1.2	0.1	-
BW Offshore Singapore Pte. Ltd.	31.1	1.4	-
Maple Company Limited	15.6	-	-
BW Adolo Pte. Ltd.	9.0	-	-
Tinworth Gabon SA	3.8	-	-
Total short-term related parties payables	63.4	1.7	-

1. Loan agreements with related parties are set up based on regular market rates. Outstanding balances at year-end are unsecured. Average interest rate per annum was 4.6% for 2018 (3.4% for 2017 and 2.8% for 2016). The carrying amounts of related parties receivables and payables are in USD.

The table below sets forth the related party transactions for the years ended 31 December 2018, 2017 and 2016.

<i>In USD million</i>	Description ¹	Year ended 31 December		
		2018	2017	2016
BW Offshore (UK) Ltd.	Operating expenses	0.5	-	-
BW Adolo Pte. Ltd.	Operating expenses	43.0	-	-
Tinworth Gabon SA	Operating expenses	9.9	-	-
BW Offshore Norway AS.....	Management services	1.4	1.1	-
BW Offshore Singapore Pte. Ltd.	Management services	3.0	1.3	-
BW Offshore (UK) Ltd.	Management services	0.8	-	-
BW Offshore USA Management, Inc.....	Management services	6.3	1.1	-
BW Offshore do Brazil Servicos Maritimos Ltda	Management services	-	0.2	-
BW Offshore Singapore Pte. Ltd.	Other expenses	0.5	0.2	-
BW Offshore Norway AS.....	Other expenses	0.2	0.2	-
BW Offshore USA Management, Inc.....	Other expenses	0.4	-	-
Total expenses from related companies		66.0	4.1	-

1. Expenses related to management, project, operational services and other support functions are allocated from BW Offshore to BW Energy and included as operating expenses or capitalised as E&P assets during exploration and development phase.

13.3 Related parties transactions for the year ended 31 December 2016

During December 2016, BW Energy Group, in partnership with the BW Group entered into an agreement to acquire 66.67% of the Dussafu PSC offshore Gabon. BWEH was incorporated for the purpose of pursuing oil and gas interests. As at 31 December 2016, BWEH was owned 100% by BW Offshore Group. Following completion of the transaction in 2017, BWEH was owned 66.67% by BW Offshore Group and 33.33% by Maple Company Limited, a wholly owned subsidiary of BW Group. The transaction amount was USD 16 million. There are no outstanding receivables related to this transaction.

13.4 Related parties transactions for the year ended 31 December 2017**13.4.1 Shareholder loan from BW Offshore Singapore Pte. Ltd.**

In 2017, BWEH received a USD 54.5 million loan from BW Offshore Singapore Pte. Ltd., which is a subsidiary of BW Offshore. USD 32 million was subsequently converted into equity (contributed capital) within BWEH in 2017.

13.4.2 Guarantee provided by BW Offshore

A subsidiary of BW Offshore, BW Offshore Singapore Pte. Ltd., has provided a guarantee in respect of the obligations of BW Kudu Limited, a wholly owned subsidiary of BW Energy, under a farm-out agreement entered into with the National Petroleum Corporation of Namibia (NAMCOR) in connection with the acquisition of BW Energy's participating interest of 56% in the Kudu licence PL003.

13.5 Related parties transactions for the year ended 31 December 2018**13.5.1 Seaboard Production Partners, LLC**

In October 2018, BW Energy Group finalised an agreement with Seaboard Production Partners, LLC ("**SPP**") for the transfer of Intellectual Property, including but not limited to development plans, reservoir and geological analysis and economic modelling to be utilised in the development of the Dussafu field. The manager of SPP, also a shareholder of SPP, is now a part of the management of BW Energy Group. Under the terms of the agreement, BW Energy Group has made an upfront payment of USD 7.5 million for the intellectual property. This is presented as intangible asset, refer to note 10 of the Combined Financial Statements. The agreement is built on an earn out model with a defined set of performance targets, which would entitle SPP further payments conditional upon these targets being met. Nominal payments under the agreement could amount to a further USD 67.5 million over the life of the Dussafu field. At 31 December 2018, the realisation of the performance targets was considered uncertain and accordingly no amounts have been recognised in the statement of financial position.

13.5.2 Shareholder loans and subsequent conversions from Maple Company Limited and BW Offshore Singapore Pte. Ltd.

In 2018, BWEH received a USD 67.0 million loan from Maple Company Limited. USD 60 million was subsequently converted into equity (contributed capital) within BWEH in 2018. Further, the Group received a USD 127.6 million loan from BW Offshore Singapore Pte. Ltd, of which USD 120 million was subsequently converted into equity (contributed capital) within BWEH in 2018.

The ownership interests in BWEH remained unchanged.

13.5.3 FPSO contract with BW Offshore

In May 2018, BW Energy Dussafu B.V. (Gabon Branch) entered into a bareboat charter agreement (operating lease) with BW Adolo Pte. Ltd. (previous known as Prosafe FPSO (D) Pte. Ltd.), a subsidiary of BW Offshore. There is no fixed term under this contract. The contract shall commence until the lessee terminates the contract. The contract can be terminated given a 365 day notice. In May 2018, BW Energy Dussafu B.V. (Gabon Branch) entered into a contract with Tinworth Gabon S.A., a subsidiary of BW Offshore, for the operations and maintenance of BW Adolo during the charter. There is no fixed term under this contract. The contract shall continue until the lessee terminates the contract. The contract can be terminated given a 365 day notice. The FPSO commenced operation on the Tortue field in the Dussafu block in September 2018. At 31 December 2018, there is only one producing field where this FPSO operates.

13.6 Transactions carried out with related parties in the period following 31 December 2018**13.6.1 Overview**

The table below sets forth the related party payables and the related party receivables in the nine months ended 30 September 2019 and 2018:

In USD million

	Nine months ended 30 September	
	2019	2018
LONG-TERM RELATED PARTIES PAYABLES		
BW Offshore Singapore Pte. Ltd.	30.4	7.7
Total long-term related parties payables	30.4	7.7
SHORT-TERM RELATED PARTIES PAYABLES		
BW Offshore Norway AS	0.4	0.3
BW Offshore Limited	3.9	-
BW Offshore (UK) Ltd.	2.7	-
BW Offshore USA Management, Inc.	1.7	1.9

BW Offshore Singapore Pte. Ltd.	20.6	87.8
Maple Company Limited	10.3	43.6
Arnet Energy Pte. Ltd.	0.3	-
BW Adolo Pte. Ltd.	3.0	3.7
BW Offshore do Brasil Ltda	0.1	-
BW Energy Maromba do Brasil Ltda	-	-
Tinworth Gabon SA	8.3	-
Total short-term related parties payables	51.3	137.3
SHORT-TERM RELATED PARTIES RECEIVABLES		
BW Offshore Singapore Pte. Ltd.	0.4	-
Tinworth Gabon SA	0.2	-
Total short-term related parties receivables	0.6	-

The table below sets forth the related party transactions for the nine months ended 30 September 2019 and 2018:

<i>In USD million</i>	Description ¹	Nine months ended 30 September	
		2019	2018
BW Adolo Pte. Ltd.	Operating expenses	24.4	1.0
Tinworth Gabon SA	Operating expenses	21.3	0.3
BW Offshore Norway AS	Management services	0.8	1.1
BW Offshore Singapore Pte. Ltd.	Management services	2.8	2.4
BW Offshore (UK) Ltd.	Management services	0.6	-
BW Offshore USA Management, Inc.	Management services	6.9	0.8
BW Offshore do Brasil Servicos Maritimos Ltda	Management services	0.2	-
BW Offshore do Brasil Ltda	Management services	0.3	-
BW Offshore Singapore Pte. Ltd.	Other expenses	0.3	0.4
BW Offshore Norway AS	Other expenses	0.1	0.1
BW Offshore Limited	Other expenses	3.7	-
BW Offshore (UK) Limited	Other expenses	0.1	-
BW Adolo Pte. Ltd.	Other expenses	4.9	30.0
BW Offshore USA Management, Inc.	Other expenses	0.6	3.6
Total expenses from related companies		67.0	39.7

1. Expenses related to management, project, operational services and other support functions are allocated from BW Offshore to BW Energy and included as operating expenses or capitalised as E&P assets during exploration and development phase.

13.6.2 Undertaking to pay by BW Offshore to BW Energy Maromba do Brasil Ltda

BW Offshore has provided to BW Energy Maromba do Brasil Ltda an undertaking to pay to BW Energy Maromba do Brasil Ltda the amount of certain milestone payments that BW Energy Maromba do Brasil Ltda shall make to each of Chevron and Petrobras in accordance with the sale and purchase agreements relating to the acquisition of 30% interest in Maromba from Chevron, and of 70% interest in Maromba from Petrobras. The undertaking is valid until the earliest of (i) payment in full of certain caps, (ii) payment in full by BW Energy Maromba do Brasil Ltda to Petrobras and Chevron of the agreed purchase price, (iii) termination of the sale and purchase agreements, including if closing of the agreements does not occur until the agreed long stop date or (iv) 13 March 2027.

13.6.3 Arnet's acquisition of shares in BWEH

On 11 March 2019, Carl Arnet, CEO of the Company, became the holder of 1% of the shares in BWEH, a wholly owned subsidiary of the Group. New shares in BWEH were allotted to Arnet Energy Pte Ltd, a company which is wholly owned by Carl Arnet, for a total consideration of USD 1.85 million, including a pro rata share of outstanding shareholder loans. Following the allotment, the shareholders of BWEH were BW Offshore (66%) (through its subsidiaries), BW Group (33%) (through Maple Company Limited) and Arnet Energy Pte Ltd (1%).

13.6.4 The Reorganisation

Below is a description of each of the transactions that resulted in BW Energy acquiring the Dussafu, Maromba and Kudu assets (the Reorganisation).

13.6.4.1 BW Energy's acquisition of Dussafu

On 1 October 2019, BW Offshore Singapore Pte. Ltd. (a wholly owned subsidiary of BW Offshore), Maple Company Limited (a wholly owned subsidiary of BW Group), Arnet Energy Pte. Ltd. (jointly, the "**Vendors**") and BW Energy

entered into an agreement whereby BW Energy purchased all shares and certain receivables in BWEH in exchange for Shares in BW Energy Limited (the Company) as follows:

- Sale by BW Offshore Singapore Pte. Ltd. of 66% of the shares in BWEH in return for 114,180,000 Shares;
- Sale by Maple Company Limited of 33% of the shares in BWEH in return for 57,090,000 Shares; and
- Sale by Arnet Energy Pte Ltd. of 1% of the shares in BWEH in return for 1,730,000 Shares.

As BW Energy and BWEH are owned by the same shareholders in the same proportions, the transaction was conducted at the book equity of BWEH of USD 288,550,425 and did not alter the ownership percentages in the Company.

BWEH is the holding company under which the Group holds the Dussafu assets (described in detail in Section 8.6.5 "Dussafu"). BWEH has not been subject to separate financial reporting for the past two years as it was part of the BW Offshore group financial reporting. At the time of the agreement, the board of directors of BWEH consisted of Carl Krogh Arnet, William Russell Scheirman II, Sebastien Jean-Pierre Brochet and Tormod Vold. Management consisted of Lin Espey (Head of E&P). No changes in directors or management occurred as a direct consequence of the transaction.

The Vendors are the Shareholders of the Company, and Arnet Energy Pte. Ltd. is a company owned by Carl Krogh Arnet, who is the CEO of the Company.

13.6.4.2 BW Energy's acquisition of the Kudu and Maromba assets

On 1 October 2019, BW Energy entered into agreements to acquire all shares and certain receivables in BW Kudu Holding Pte. Ltd. and BW Maromba Holdings Pte. Ltd. from BW Offshore Singapore Pte. Ltd. (a wholly owned subsidiary of BW Offshore). BW Kudu Holding Pte. Ltd. is the holding company of the company owning BW Energy's participation interest in the Kudu project and BW Maromba Holdings Pte. Ltd. is the holding company of the company owning the Maromba assets, both as described in Section 8.6 "Overview of the Group's business".

The consideration for the shares in BW Kudu Holding Pte. Ltd. and BW Maromba Holdings Pte. Ltd. was USD 16,000 and USD 21,376,615, respectively, and was settled by the issuance by BW Energy of an aggregate of 14,400,000 Shares to BW Offshore.

Neither of the acquired companies have been subject to separate financial reporting for the past two years as they have been part of the BW Offshore group financial reporting. At the time of the agreement, the board of directors of BW Kudu Holding Pte. Ltd. consisted of Carl Krogh Arnet and Ming Yen Yip, and its management consisted of Lin Espey (Head of E&P). Further, the board of directors of BW Maromba Holdings Pte. Ltd. consisted of Carl Krogh Arnet and Ming Yen Yip, and its management consisted of Lin Espey (Head of E&P). No changes in directors or management occurred as a direct consequence of the transaction.

13.6.4.3 Post Reorganisation ownership in BW Energy

Following completion of the acquisition of the shares in BWEH (i.e. on 11 October 2019), BW Kudu Holding Pte. Ltd. and BW Maromba Holdings Pte. Ltd., BW Offshore Singapore Pte. Ltd. owned 128,580,066 Shares (68.6%), Maple Company Limited owned 57,090,033 Shares (30.5%) and Arnet Energy Pte Ltd. owned 1,730,001 Shares (0.9%).

13.6.5 Services agreement with BW Offshore

Employees of the BW Offshore group provide services, including but not limited to administrative, technical, commercial and operational management, finance, legal, human capital and supply chain to support the E&P operations of BW Energy. The services are provided on the basis of a range of services agreements entered into between BW Energy and BW Offshore. The services are procured by BW Energy at internal transfer pricing rates for good corporate governance and to meet requirements of third parties, such as partners and authorities.

14 CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

The following is a summary of certain corporate information and material information relating to the Shares and share capital of the Company and certain other Shareholder matters, including summaries of certain provisions of the Company's Memorandum of Association, Bye-laws and applicable Norwegian and Bermuda law in effect as at the date of this Prospectus, including the Bermuda Companies Act. The summary does not purport to be complete and is qualified in its entirety by the Company's Memorandum of Association, Bye-laws and applicable law.

14.1 Company corporate information

The Company's registered and commercial name is BW Energy Limited. The Company was incorporated on 22 May 2019 as an exempted company limited by shares under the laws of Bermuda and in accordance with the Bermuda Companies Act with (indirect) ownership by BW Offshore. The Company's registration number in the Bermuda Registrar of Companies is 54653 and its LEI is 5493004D19CJBN3DLD40. The Company's registered office is at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda, telephone: +65 6632 7888 (the telephone number is shared with BW Offshore). The Company's website can be found at www.bwenergy.no. The content of www.bwenergy.no is not incorporated by reference into this Prospectus except as explicitly set forth in Section 20.4 "Incorporation by reference".

At the date of the Prospectus, the shares in the Company are held by BW Offshore (68.6%), BW Group (30.5%) and Arnet Energy Pte Ltd (0.9%).

14.2 Legal structure

The Company, the parent company of the Group, is a holding company and the business of the Group is carried out through the subsidiaries of the Company.

The following table sets out information about the entities in which the Group, as at the date of this Prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes.

Company	Country of incorporation	Field of activity	Holding (%):
BW Maromba Holdings Pte. Ltd.	Singapore	Holding company	100
BW Energy Maromba B.V.	Netherlands	Holding company	100
BW Energy Maromba do Brasil Ltda.	Brazil	Licence owning company	100
BW Kudu Holding Pte. Ltd.	Singapore	Holding company	100
BW Kudu Limited.	UK	Licence owning company	100
BW Kudu Limited (Namibian branch)	UK (Namibian branch)	Licence owning company	100
BW Energy Holdings Pte. Ltd.	Singapore	Holding company	100
BW Energy Gabon Pte. Ltd.	Singapore	Holding company	100
BW Energy Dussafu B.V.	Netherlands	Holding Company	100
BW Energy Dussafu B.V (Gabon branch)	Netherlands (Gabon branch)	To be deregistered in 2020	100
BW Energy Gabon S.A.	Gabon	Licence owning company	100

As at the date of this Prospectus, the Group is of the opinion that its holdings in all of the entities specified above are likely to have a significant effect on the assessment of its own assets and liabilities, financial condition or profits and losses.

14.3 Authorised and issued share capital

As at the date of this Prospectus, the Company's authorised share capital is USD 3,000,000 consisting of 300,000,000 Shares with a par value of USD 0.01 each, of which 187,400,100 Shares have been issued and fully paid. The Board of Directors may issue any authorised but unissued shares of the Company 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 a General Meeting. As at the date of this Prospectus, no preference shares have been issued or authorised.

The Shares have been created under the Bermuda Companies Act and will be registered in the VPS under ISIN BMG0702P1086 in connection with the Listing. All the Shares rank in parity with one another and carry one vote per share.

The Company has one class of shares. There are no share options or other rights to subscribe or acquire Shares issued by the Company.

14.4 Share capital history

The table below shows the development in the Company's authorised share capital for the period from the date of incorporation (22 May 2019) to the date hereof:

Date	Type of change	Change in authorised share capital (USD)	New authorised share capital (USD)	No. of authorised shares	Par value per share (USD)
22 May 2019	Incorporation	1	1	1	1
28 May 2019	Sub-division of share capital	-	-	100	0.01
27 September 2019	Increase of authorised share capital	2,999,999	3,000,000	300,000,000	0.01

The table below shows the development in the Company's issued share capital for the period from the date of incorporation (22 May 2019) to the date hereof:

Date	Type of change	Change in issued share capital (USD)	New issued share capital (USD)	No. of issued shares	Par value per share (USD)
22 May 2019	Incorporation	1	1	1	1
28 May 2019	Sub-division of share capital	-	-	100	0.01
11 October 2019	Allotment of shares	1,874,000	1,874,001	187,400,100 ¹	0.01

- 1 The Shares were issued to existing Shareholders in exchange for the shares in the companies that were transferred to the Company in the Reorganisation, cf. 13.6.4 "The Reorganisation".

14.5 Listing on the Oslo Stock Exchange

The Company intends to apply for admission to trading of its Shares on the Oslo Stock Exchange on or around 31 January 2020. The board of directors of the Oslo Stock Exchange are expected to approve the Company's listing application on or around 6 February 2020.

The Company expects that trading in the Shares on the Oslo Stock Exchange will commence on or around 11 February 2020. The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market and the Shares have not previously been subject to public trading.

14.6 Ownership structure

As of the date of the Prospectus, the Company has the following three Shareholders:

#	Shareholders	Number of Shares	Percent
1	BW Offshore Limited.....	128,580,066	68.6%
2	BW Group Limited	57,090,033	30.5%
3	Arnet Energy Pte Ltd.	1,730,001	0.9%
	Total.....	187,400,100	100%

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. See Section 15.7 "Disclosure obligations" for a description of the disclosure obligations under the Norwegian Securities Trading Act. As of the date of this Prospectus, no Shareholder, other than BW Offshore (68.6%) and BW Group (30.5%), holds more than 5% of more of the issued Shares.

BW Group holds 49.9% of the shares in BW Offshore and 30.5% of the Shares in the Company, while BW Offshore owns 68.6% of the Shares in the Company. Save for BW Group and BW Offshore, the Company is not aware of any other persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

No particular measures have been put in place to ensure that control is not abused by large shareholders.

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company. The Shares have not been subject to any public takeover bids.

14.7 Share repurchase and treasury shares

Pursuant to the Bye-laws, the Company may purchase its own Shares for cancellation or acquire them as treasury shares on such terms and in such manner as may be authorised by the Board of Directors, subject to the Bermuda Companies Act. The Board of Directors may exercise all the powers of the Company to purchase or acquire its own Shares.

As of the date of this Prospectus, the Company does not hold any Shares in treasury.

14.8 Other financial instruments

Neither the Company nor any of its subsidiaries have issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Furthermore, neither the Company nor any of its subsidiaries has issued subordinated debt or transferable securities other than the Shares and the shares in its subsidiaries which will be held, directly or indirectly, by the Company.

14.9 VPS registration of the Shares

At the date hereof, the Shares are registered in the register of members of the Company maintained at the registered office of the Company in Bermuda.

When the Shares are listed or admitted to trading on an Appointed Stock Exchange, such as the Oslo Stock Exchange, the Shares may be directly registered in the VPS. On this basis, the Company will seek to register all of the Shares in book-entry form in the VPS in connection with the Listing. Following such registration, DNB will act as the Company's branch registrar and transfer agent with the VPS. Further, DNB will maintain a branch register of shareholders in addition to the register of members of the Company maintained at the Company's registered office in Bermuda, pursuant to the Bermuda Companies Act.

14.10 Shareholder rights

The Company has one class of Shares in issue, and all Shares in that class have equal rights to all such other Shares in that class as set out in the Bye-laws. There are no differences in voting rights between the shareholders.

As the Company is a Bermuda limited company, shareholders do not have the same preferential rights in a future offering in the Company as shareholders in Norwegian limited liability companies listed on the Oslo Stock Exchange normally have. Depending on the structure of any future offering, certain existing shareholders may therefore not be able to purchase additional equity securities, meaning that these shareholders' holdings and voting interest may be diluted.

14.11 The Memorandum of Association, Bye-laws and Bermuda law

The Bye-laws are set out in [Appendix A](#) to this Prospectus. Below is a summary of provisions of the Bye-laws and certain aspects of applicable Bermuda law. Defined terms used in this Section 14.11 which are not defined in this Prospectus shall have the meanings given to them in the Bye-laws.

14.11.1 Objects of the Company

In accordance with common practice for Bermuda incorporated companies, the objects of the Company, as set out in paragraph 6 of its Memorandum of Association, are unrestricted.

14.11.2 General meetings

The annual general meeting of the Company shall be held each year at such time and place as the president of the Company, if any, or the Chairman or the Board of Directors shall appoint. The president of the Company, if any, the Chairman or the Board of Directors may convene a special general meeting whenever in their judgment such a meeting is necessary. The Board of Directors shall, on the requisition of the Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up voting share capital of the Company, forthwith proceed to convene a special general meeting.

At least 14 clear days' notice of an annual general meeting shall be given to each Shareholder 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. At least 14 clear days' notice of a special general meeting shall be given to each Shareholder entitled to attend and vote thereat, stating the date, place and time at the general nature of the business to be considered at the meeting. The Board of Directors may fix any date as the record date for determining the Shareholders entitled to receive notice of and to vote at any general

meeting of the Company provided that the date for determining Shareholders entitled to vote at any general meeting may not be more than 5 days before the date fixed for the meeting.

A general meeting of the Company shall, notwithstanding that it is called on shorter notice than that specified in the Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Shareholders of the Company entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Shareholders 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 case of a special general meeting. 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.

Shareholders may participate in any general meeting by means of such telephonic, electronic or other communication facilities or other means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such meeting shall constitute presence in person at such meeting. Except as otherwise provided in the Bye-laws, the quorum at any general meeting of the Company shall be constituted by 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.

Subject to the Bye-laws, anything which may be done by resolution of the Company in a general meeting, or by resolution of a meeting of any class of the shareholders may, without a meeting be done by resolution in writing signed by all the Shareholders who at the date of the notice of the resolution is given represent such majority of votes as would be required if the resolution was voted on at a general meeting. However, this does not apply to a resolution to remove an auditor from office before the expiration of his/her term of office, or a resolution for the purpose of removing a director before the expiration of his/her term of office.

14.11.3 Board of Directors and Management

Election and removal of Directors

The Board of Directors must consist of not less than two Directors or such number in excess thereof as the Shareholders may from time to time determine. The Board of Directors must be elected or appointed at the relevant annual general meeting of the Shareholders or at any special general meeting of the Shareholders called for that purpose. The Board of Directors is divided into two classes that are, as nearly as possible, of equal size. Except at the initial general meeting at which the classes of directors is adopted, each class of directors is elected for a two-year term of office, but the terms are staggered so that the term of only one class of directors expires at each annual general meeting.

The Shareholders may authorise the Board of Directors to fill any vacancy in their number left unfilled at a General Meeting. If there is a vacancy of the Board of Directors occurring as a result of death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board of Directors, the Shareholders in General Meeting or the Board of Directors has the power to appoint a Director to fill the vacancy and to appoint an Alternate Director to any Director so appointed.

Any Shareholder or the Board of Directors or nomination committee may propose any person for re-election or 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 of Directors or nomination committee, is to be proposed for election, notice must be given to the Company of the intention to propose him and of his willingness to serve as a Director. Whether a Director is to be elected at an annual general meeting or a special meeting, that notice must be given not less than ten days before the date of such general meeting. 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 votes cast shall not be a prerequisite to the election of such Directors.

Subject to any provision to the contrary in the Bye-laws, the Shareholders entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with the Bye-laws, remove a Director provided that the notice of any such meeting convened for the purpose of removing a Director must 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.

Remuneration of Directors

The remuneration (if any) of the Directors may be proposed by the Directors or proposed by a nomination committee of the Board of Directors and is determined by the Shareholders in general meeting.

Directors to manage business

The business of the Company is managed and conducted by the Board of Directors. Subject to the Bye-laws, the Board of Directors may delegate to any company, firm, person, or body of persons any power of the Board of Directors (including the power to sub-delegate).

Power to appoint manager of day-to-day business

The Board of Directors may 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.

Appointment of officers

The Board of Directors may appoint a President and Vice President or a Chairman and Deputy Chairman from amongst the directors. The secretary and additional officers (who may or may not be Directors), if any, are appointed by the Board of Directors from time to time.

Remuneration of officers

The officers receive such remuneration as the Board of Directors may determine.

Issuance of Shares

The Board of Directors may issue any authorised but unissued shares of the Company on such terms and conditions as it may determine, subject to the Bye-laws and any resolution of the Shareholders of the Company to the contrary.

Indemnification and exculpation of Directors and officers

Section 98 of the Bermuda Companies Act provides generally that a Bermuda company may indemnify its directors, officers and auditors against any liability which by virtue of any rule of law would otherwise be imposed on them in respect of any negligence, default, breach of duty or breach of trust, except in cases where such liability arises from fraud or dishonesty of which such director, officer or auditor may be guilty in relation to the company. Section 98 further provides that a Bermuda company may indemnify its directors, officers and auditors against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is awarded in their favour or in which they are acquitted or granted relief by the Supreme Court of Bermuda pursuant to section 281 of the Bermuda Companies Act.

The Company has adopted provisions in its Bye-laws that provide that it shall indemnify its Directors and officers in respect of their actions and omissions, except in respect of their fraud or dishonesty. The Bye-laws provide that the Shareholders waive all claims or rights of action that they might have, individually or by or in the right of the Company, against any of the Directors or officers for any act or failure to act in the performance of such Director's or officer's duties, except in respect of any fraud or dishonesty of such director or officer or for liability arising from Prospectus responsibility statements signed by any Director or officer of the Company. Section 98A of the Bermuda Companies Act permits the Company to purchase and maintain insurance for the benefit of any officer or Director in respect of any loss or liability attaching to him in respect of any negligence, default, breach of duty or breach of trust, whether or not the Company may otherwise indemnify such officer or Director. The Company has purchased and maintains a directors' and officers' liability policy for such a purpose. Under Section 98 of the Bermuda Companies Act, 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.

Legal action against the Company's officers and directors

The Company's Bye-laws contain a broad waiver by its shareholders of any claim or right of action, both individually and on the Company's behalf, against any of the Company's officers or directors. The waiver applies to any action taken by an officer or director, or the failure of an officer or director to take any action, in the performance of his or her duties, except with respect to any matter involving any fraud or dishonesty on the part of the officer or director or for liability arising from prospectus responsibility statements signed by a director or officer of the Company. This waiver limits the right of shareholders to assert claims against the Company's officers and directors unless the act or failure to act involves fraud or dishonesty.

14.11.4 Share rights

The holders of Shares have no pre-emptive, redemption, conversion or sinking fund rights. The holders of Shares are entitled to one vote per Share on all matters submitted to a vote of the holders of Shares.

In the event of the liquidation, dissolution or winding up of the Company, the holders of Shares are entitled to share equally and rateably in its assets, if any, remaining after the payment of all of the Company's debts and liabilities, subject to any liquidation preference on any issued and outstanding preference shares.

14.11.5 Variation of share rights

Subject to the Bermuda Companies Act, all or any of the rights attached to any class of shares issued (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 such shares of the class at which meeting the necessary quorum is two persons holding or representing by proxy at least one third of the issued shares of the relevant class. The Bye-laws specify that the creation or issue of preference shares will not be deemed to vary the rights attached to the 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, unless otherwise expressly provided by the terms of issue of the shares of that class or series.

14.11.6 Voting rights

At any general meeting, every holder of Shares present in person and every person holding a valid proxy shall have one vote on a show of hands. On a poll, every such holder of Shares present in person or by proxy shall have one vote for every Share held.

Subject to the Bermuda Companies Act, and the Bye-laws, any question proposed for the consideration of the Shareholders at any General Meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the provisions of the Bye-laws and in the case of an equality of votes, the resolution shall fail.

14.11.7 Amendment of the Memorandum of Association and the Bye-laws

The Bye-laws provide that the memorandum of association of a company may be amended by a resolution passed at a general meeting of Shareholders, including the affirmative vote of not less than two-thirds of the votes cast at a general meeting and by a resolution of the Board of Directors. The Bye-laws provide that no Bye-law shall be rescinded, altered or amended, and no new Bye-law shall be made, unless it shall have been approved by a resolution of the Board of Directors and by a resolution of the Shareholders, including the affirmative vote of not less than two-thirds of the votes cast at a general meeting. In the case of the amendment of the Bye-laws relating to a change of name of the Company in certain circumstances, the shares held by BW Group and its affiliates shall have the number of votes equalling a multiple of ten times the number of shares represented at such meeting.

Under the Bermuda Companies Act, the holders of an aggregate of not less than 20% in par value of a company's issued share capital or any class thereof have the right to apply to the Supreme Court of Bermuda for an annulment of any amendment of the memorandum of association adopted by Shareholders at any general meeting, other than an amendment which alters or reduces a company's share capital as provided in the Bermuda Companies Act. Where such an application is made, the amendment becomes effective only to the extent that it is confirmed by the Supreme Court of Bermuda. An application for an annulment of an amendment of the memorandum of association must be made within 21 days after the date on which the resolution altering the company's memorandum of association is passed and may be made on behalf of persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. No application may be made by Shareholders voting in favour of the amendment.

14.11.8 Amalgamations and mergers

The amalgamation or merger of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the amalgamation or merger agreement to be approved by the company's board of directors and by its Shareholders. Unless a company's bye-laws provide otherwise, the approval of 75% of the Shareholders voting at such meeting is required to approve the amalgamation or merger agreement, and the quorum for such meeting must be two persons holding or representing more than one-third of the issued shares of the company. On the date hereof, the Company's Bye-laws do not deviate from these requirements. See also Section 14.11.10 "Appraisal rights and Shareholders suits".

14.11.9 Transfer of Shares

The Bye-laws provide that the Board of Directors may decline to register the transfer of any Share in the register of members or direct any registrar appointed by the Company to decline to register the transfer of any Share in certain circumstances under the Bye-Laws where such transfer is not in accordance with certain provisions in the Bye-laws or would, in the opinion of the Board of Directors, be likely to result in 50% or more of the issued and outstanding shares

or votes in 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 under the Norwegian tax legislation.

Subject to the above, shares that are listed or admitted to trading on an Appointed Stock Exchange, such as the Oslo Stock Exchange, may be transferred in accordance with the rules and regulations of such exchange.

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.

See Section 2.4 "Risks related to the Shares, the Offering and the Listing" for a summary of the provisions in the Bye-laws that contain provisions that could make it more difficult for a third party to acquire the Company without the consent of the Board of Directors.

14.11.10 Appraisal rights and Shareholders suits

Under the Bermuda Companies Act, in the event of an amalgamation or merger of a Bermuda company with another company or corporation, a shareholder of the Bermuda company who did not vote in favour of the amalgamation or merger and who is not satisfied that fair value has been offered for such shareholder's shares may, within one month of notice of the general meeting, apply to the Supreme Court of Bermuda to appraise the fair value of those shares. Under Bermuda law, each share of an amalgamating or merging company carries the right to vote in respect of an amalgamation or merger whether or not it otherwise carries the right to vote.

Class actions and derivative actions are generally not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or is illegal or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.

When the affairs of a company are being conducted or have been conducted in a manner which is oppressive or prejudicial to the interests of some part of the shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company.

The Bye-laws contain a provision by virtue of which the Company's shareholders waive any claim or right of action that they might have, whether individually or by or in the right of the Company, against any director or officer of the Company in relation to any action or failure to take action by such director or officer, except in respect of any fraud or dishonesty of such director or officer or for liability arising from Prospectus responsibility statements signed by a director or officer of the Company.

14.11.11 Capitalisation of profits and reserves

Pursuant to the Bye-laws, the Board of Directors may (i) capitalise any part of the amount of the Company's share premium or other reserve accounts or any amount credited to the Company's profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro-rata (except in connection with the conversion of shares) to the Shareholders; or (ii) capitalise any amount standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by paying up in full partly or nil paid shares of those Shareholders who would have been entitled to such sums if they were distributed by way of dividend or distribution.

14.11.12 Untraced Shareholders

The Bye-laws provide that the Board of Directors may forfeit any dividend and/or other monies payable in respect of any shares which remain unclaimed for six years from the date when such monies became due for payment. In addition, the Company is entitled to cease sending dividend warrants and cheques by post or otherwise to a shareholder if such instruments have been returned undelivered to, or left uncashed by, such shareholder on at least two consecutive

occasions or, following one such occasion, reasonable enquires have failed to establish the shareholder's new address. This entitlement ceases if the Shareholder claims a dividend or cashes a dividend cheque or a warrant.

14.11.13 Access to books and records and dissemination of information

Members of the general public have the right to inspect the public documents of a Bermuda company available at the office of the Registrar of Companies in Bermuda. These documents include the Company's Memorandum of Association, including its objects and powers, and certain alterations to its Memorandum of Association. The Shareholders have the additional right to inspect the Bye-laws of the Company, minutes of general meetings and the Company's audited financial statements, which must be laid before at the annual general meeting. The register of members of a Bermuda company is also open to inspection by Shareholders and by members of the general public without charge. The register of members is required to be open for inspection for not less than two hours in any business day (subject to the ability of a company to close the register of members for not more than thirty days in a year). A company is required to maintain its share register in Bermuda but may, subject to the provisions of the Bermuda Companies Act, establish a branch register outside Bermuda. A company is required to keep at its registered office a register of directors and officers that is open for inspection for not less than two hours in any business day by Shareholders of the public without charge. Bermuda law does not, however, provide a general right for Shareholders to inspect or obtain copies of any other corporate records. Where a company, the shares of which are listed on an Appointed Stock Exchange, sends its summarised financial statements to its shareholders pursuant to Section 87A of the Bermuda Companies Act, a copy of the full financial statements (as well as the summarised financial statements) must be available for inspection by the public at the company's registered office.

14.11.14 Dividends

A Bermuda company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the company's assets would thereby be less than its liabilities. "Contributed surplus" is defined for purposes of section 54 of the Bermuda Companies Act to include the proceeds arising from donated shares, credits resulting from the redemption or conversion of shares at less than the amount set up as nominal capital and donations of cash and other assets to a Bermuda company. Under the Bye-laws, the Board of Directors may declare dividends and distributions without Shareholder approval. Further, the Company's subsidiaries may be subject to applicable legal constraints on the distribution of dividends in the jurisdiction in which they are incorporated, such as sufficiency of distributable reserves.

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account the Group's capital requirements, including capital expenditure commitments, its financial condition, general business conditions, legal restrictions as set out above, and any restrictions under borrowing arrangements or other contractual arrangements in place at the time.

14.11.15 Winding-up

A company may be wound up by the Bermuda court on application presented by the company itself, its creditors (including contingent or prospective creditors) or its contributories. The Bermuda court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the Bermuda court, just and equitable to do so.

A company may be wound up voluntarily when the Shareholders so resolve in a general meeting. In the case of a voluntary winding up, the company shall, from the commencement of the winding up, cease to carry on its business, except so far as may be required for the beneficial winding up thereof.

Where, on a voluntary winding up, a majority of directors make a statutory declaration of solvency, the winding up will be deemed a "shareholders' voluntary winding up". In any case where such declaration has not been made, the winding up will be deemed a "creditors' voluntary winding up".

In the case of a shareholders' voluntary winding up of a company, the company in general meeting must appoint one or more liquidators within the period prescribed by the Bermuda Companies Act for the purpose of winding up the affairs of the company and distributing its assets. If the liquidator is at any time of the opinion that the company will not be able to pay its debts in full in the period stated in the directors' declaration of solvency, he is obliged to summon a meeting of creditors and lay before the meeting a statement of the assets and liabilities of the company.

As soon as the affairs of the company are fully wound up via a shareholders' voluntary winding up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account, and giving any explanation thereof. This final general meeting shall be called by advertisement in an appointed newspaper, published at least one month before the meeting. Within one week after the meeting the liquidator shall notify the Registrar of Companies in Bermuda that the company has been dissolved and the Registrar shall record that fact in accordance with the Bermuda Companies Act.

In the case of a creditors' voluntary winding up of a company, the company must call a meeting of the creditors of the company to be summoned for the day, or the next day following the day on which the meeting of the shareholders at which the resolution for voluntary winding up is to be proposed is held. Notice of such meeting of creditors must be sent at the same time as notice is sent to shareholders. In addition, the company must cause a notice to appear in an appointed newspaper on at least two occasions.

The creditors and the shareholders at their respective meetings may nominate a person to be liquidator for the purposes of winding up the affairs of the company and distributing the assets of the company, provided that if the creditors and the shareholders nominate different persons, the person nominated by the creditors shall be the liquidator. If no person is nominated by the creditors, the person (if any) nominated by the shareholders shall be liquidator. The creditors at the creditors' meeting may also appoint a committee of inspection consisting of not more than five persons.

If a creditors' voluntary winding up continues for more than one year, the liquidator is required to summon a general meeting of the company and a meeting of the creditors at the end of each year and must lay before such meetings an account of his acts and dealings and of the conduct of the winding up during the preceding year.

As soon as the affairs of the company are fully wound up via a creditors' voluntary winding up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company and a meeting of the creditors for the purposes of laying the account before the meetings, and giving any explanation thereof. Each such meeting shall be called by advertisement in an appointed newspaper, published at least one month before the meeting. Within one week after the date of the meetings, or if the meetings are not held on the same date, after the date of the later meeting, the liquidator is required to send to the Registrar of Companies in Bermuda a copy of the account and make a return to him in accordance with the Bermuda Companies Act. The company will be deemed to be dissolved on the expiration of three months from the registration by the Registrar of Companies in Bermuda of the account and the return. However, a Bermuda court may, on the application of the liquidator or of some other person who appears to the court to be interested, make an order deferring the date at which the dissolution of the company is to take effect for such time as the court thinks fit.

14.12 Takeover and change of control

The Bye-laws contain provisions that could make it more difficult for a third party to acquire the Company without the consent of the Board of Directors. These provisions include, among other things:

- a classified Board of Directors with staggered two-year terms;
- that the Board of Directors can decline to register certain transfers of Shares in certain circumstances under the Bye-laws where such transfer is not in accordance with certain provisions in the Bye-laws or would likely result in 50% or more of the aggregate issued and outstanding Shares or votes of the Company being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or such Shares being effectively connected to a Norwegian business activity, or the Company being deemed a "Controlled Foreign Company" pursuant to Norwegian tax rules;
- that the Board of Directors may issue any authorised but unissued shares of the Company, subject to any resolution of the Company's shareholders to the contrary;
- that 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;

- that the Shareholders are required, upon notice served by the Board of Directors, to notify the Company of their interests in Shares to the extent they are required to do so under all applicable rules and regulations to which the Company is subject; and
- that the Board of Directors has the 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 Shares (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 of Directors deems necessary.

These provisions could make it more difficult for a third party to acquire the Company, even if the third party's offer may be considered beneficial by many members. As a result, shareholders may be limited in their ability to obtain a premium for their Shares.

14.13 Shareholders' agreement

To the knowledge of the Company, there are no shareholders' agreements related to the Shares.

14.14 Enforcement of civil rights

The Company is an exempted company limited by shares incorporated under the laws of Bermuda. As a result, the rights of holders of the Shares will be governed by Bermuda law, the Memorandum of Association and the Bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. None of the Directors and not all the members of Management are residents of the United States, and the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its Directors and members of Management in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway or Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Directors or members of Management under the securities laws of those jurisdictions or entertain actions in Norway or Bermuda against the Company or its Directors or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway or Bermuda. The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters with either Norway or Bermuda.

15 SECURITIES TRADING IN NORWAY

Set out below is a summary of certain aspects of securities trading in Norway. The summary is based on the rules and regulations in force in Norway as at the date of this Prospectus, which may be subject to changes occurring after such date. The summary does not purport to be a comprehensive description of securities trading in Norway. Shareholders who wish to clarify the aspects of securities trading in Norway should consult with and rely upon their own advisors.

15.1 Introduction

The Oslo Stock Exchange was established in 1819 and offers the only regulated market for securities trading in Norway. Oslo Børs ASA is 100% owned by Oslo Børs VPS Holding ASA which was acquired by Euronext on 18 June 2019. Euronext owns seven regulated markets across Europe, including Amsterdam, Brussels, Dublin, Lisbon, London, Oslo and Paris. The Oslo Stock Exchange has entered into a strategic cooperation with the London Stock Exchange group with regards to, inter alia, trading systems for equities, fixed income and derivatives.

15.2 Trading and settlement

Trading of equities on the Oslo Stock Exchange is currently carried out in the electronic trading system Millennium Exchange. This trading system is in use by all markets operated by the London Stock Exchange, including the Borsa Italiana, as well as by the Johannesburg Stock Exchange.

Official trading on the Oslo Stock Exchange takes place between 09:00 hours (CET/CEST) and 16:20 hours (CET/CEST) each trading day, with pre-trade period between 08:15 hours (CET/CEST) and 09:00 hours (CET/CEST), closing auction from 16:20 hours (CET/CEST) to 16:25 hours (CET/CEST) and a post-trade period from 16:25 hours (CET/CEST) to 17:30 hours (CET/CEST). Reporting of after exchange trades can be done until 17:30 hours (CET/CEST).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two days after the transaction, and that the seller will receive payment after two days.

Oslo Clearing ASA, a wholly-owned subsidiary of SIX x-clear AG, a company in the SIX group, has a licence from the NFSA to act as a central clearing service, and has from 18 June 2010 offered clearing and counterparty services for equity trading on the Oslo Stock Exchange.

Investment services in Norway may only be provided by Norwegian investment firms holding a licence under the Norwegian Securities Trading Act, branches of investment firms from an European Economic Area ("EEA") member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a licence to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a licence to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the NFSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

15.3 Information, control and surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The NFSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company. Inside information means precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available

or commonly known in the market. A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

15.4 The VPS and transfer of shares

Upon Listing, the shareholder register of the Company will be maintained with the VPS, which will be a branch register for the purposes of the Bermuda Companies Act, in addition to the register of members of the Company maintained at the registered office of the Company in Bermuda pursuant to the provisions of the Bermuda Companies Act. Bermuda law permits the transfer of shares listed or admitted to trading on the Oslo Stock Exchange to be effected in accordance with the rules of the Oslo Stock Exchange (provided it remains an Appointed Stock Exchange). Accordingly, upon Listing, the title to the Shares will be evidenced and transferred without a written instrument by the VPS in accordance with the Bye-laws, provided that they are listed or admitted to trading on the Oslo Stock Exchange. The VPS is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, shares traded on the Oslo Stock Exchange must be recorded. The VPS and the Oslo Stock Exchange are both wholly-owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being the Central Bank of Norway), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association, bye-laws or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the NFSA on an ongoing basis, as well as any information that the NFSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

Any future payments of dividends on the Shares will be denominated in USD. Such dividends will be distributed through the VPS in NOK. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will however not receive dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied will be DNB Bank ASA's rate on the date of issuance.

15.5 Shareholder register

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares in the VPS. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the NFSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners.

Beneficial owners of Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to any General Meeting. There is no assurance that Shareholders will receive the notice of any General Meeting in time to instruct their nominees to either effect a re-registration of the beneficial interests registered in the VPS or otherwise instruct the VPS Registrar to vote their Shares in the manner desired by such beneficial owners.

15.6 Foreign investment in shares listed in Norway

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

15.7 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

15.8 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

15.9 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six months period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation

ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

15.10 Compulsory acquisition

Under Bermuda law, an acquiring party is generally able to compulsorily acquire the common shares of minority holders in the following ways:

- By a procedure under the Bermuda Companies Act known as a "scheme of arrangement". A scheme of arrangement could be effected by obtaining the agreement of the company and of holders of common shares, representing in the aggregate a majority in number and at least 75% in value of the common shareholders present and voting at a court ordered meeting held to consider the scheme of arrangement. The scheme of arrangement must then be sanctioned by the Bermuda Supreme Court. If a scheme of arrangement receives all necessary agreements and sanctions upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme of arrangement.
- If the acquiring party is a company it may compulsorily acquire all the shares of the target company, by acquiring pursuant to a tender offer 90% of the shares or class of shares not already owned by, or by a nominee for, the acquiring party (the offeror) or any of its subsidiaries. If an offeror has, within four months after the making of an offer for all the shares or class of shares not owned by, or by a nominee for, the offeror, or any of its subsidiaries, obtained the approval of the holders of 90% or more of all the shares to which the offer relates, the offeror may, at any time within two months beginning with the date on which the approval was obtained, require by notice any non-tendering shareholder to transfer its shares on the same terms as the original offer. In those circumstances, non-tendering shareholders will be compelled to sell their shares unless the Supreme Court of Bermuda (on application made within a one-month period from the date of the offeror's notice of its intention to acquire such shares) orders otherwise.
- Where one or more parties hold not less than 95% of the shares or a class of shares of a company, such holder(s) may, pursuant to a notice given to the remaining shareholders or class of shareholders, acquire the shares of such remaining shareholders or class of shareholders. When this notice is given, the acquiring party is entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the notice, unless a remaining shareholder, within one month of receiving such notice, applies to the Supreme Court of Bermuda for an appraisal of the value of their shares. This provision only applies where the acquiring party offers the same terms to all holders of shares whose shares are being acquired.

15.11 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the NFSA have electronic access to the data in this register.

The Bermuda Monetary Authority, in its notice to the public dated 1 June 2005, has granted a general permission for the issue and subsequent transfer of any securities of a Bermuda company from and/or to a non-resident of Bermuda for exchange control purposes for so long as any "Equity Securities" of the company (which would include the Shares) are listed on an "Appointed Stock Exchange" (which would include the Oslo Stock Exchange). Approvals or permissions given by the Bermuda Monetary Authority do not constitute a guarantee by the Bermuda Monetary Authority as to the Company's performance or its creditworthiness. Accordingly, in giving such consent or permissions, the Bermuda Monetary Authority shall not be liable for the financial soundness, performance or default of the Company's business or for the correctness of any opinions or statements expressed in this Prospectus.

The Company intends to apply for and expect to receive consent under the Exchange Control Act 1972 (and its related regulations) from the Bermuda Monetary Authority for the issue and transfer of the Shares to and between non-residents of Bermuda for exchange control purposes provided the Shares remain listed on an Appointed Stock Exchange, which includes the Oslo Stock Exchange. Approvals or permissions given by the Bermuda Monetary Authority do not constitute a guarantee by the Bermuda Monetary Authority as to the Company's performance or its creditworthiness. Accordingly, in giving such consent or permissions, the Bermuda Monetary Authority shall not be liable for the financial soundness, performance or default of the Company's business or for the correctness of any opinions or statements expressed in this Prospectus.

The Company has been designated by the Bermuda Monetary Authority as a non-resident for Bermuda exchange control purposes. This designation allows the Company to engage in transactions in currencies other than the Bermuda dollar, and there are no restrictions on the Company's ability to transfer funds (other than funds denominated in Bermuda dollars) in and out of Bermuda or to pay dividends to non-residents who are holders of Shares.

16 TAXATION

Set out below is a summary of certain Bermuda and Norwegian tax matters related to an investment in the Company. The summary regarding Bermuda and Norwegian taxation are based on the laws in force in Bermuda and Norway as of the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisors. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisors with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency and not the nationality of the shareholder.

16.1 Bermuda taxation

Under present Bermuda law, no Bermuda withholding tax on dividends or other distributions, or any Bermuda tax computed on profits or income or on any capital asset, gain or appreciation will be payable by an exempted company or its operations, and there is no Bermuda tax in the nature of estate duty or inheritance tax applicable to shares, debentures or other obligations of the company held by non-residents of Bermuda. Furthermore, a company may apply to the Minister of Finance of Bermuda for an assurance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, that no such taxes shall be so applicable to it or any of its operations until 31 March 2035, although this assurance will not prevent the imposition of any Bermuda tax payable in relation to any land in Bermuda leased or let to the company or to persons ordinarily resident in Bermuda.

16.2 Norwegian taxation

16.2.1 Taxation of dividends

Norwegian Personal Shareholders

Dividends received by Shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable as ordinary income in Norway for such shareholders at an effective rate of 31.68% to the extent the dividend exceeds a tax-free allowance; i.e. dividends received, less the tax free allowance, shall be multiplied by 1.44 which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on dividends received by Norwegian Personal Shareholders to 31.68%.

The tax-free allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk free interest rate based on the effective rate of interest on treasury bills (Nw.: *statskasserveksler*) with three months maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realisation, of the same share. Any excess allowance will also be included in the basis for calculating the allowance on the same share in the following years.

The Shares will not qualify for Norwegian share saving accounts (Nw.: *aksjesparekonto*) held by Norwegian Personal Shareholders since the Company is resident outside the EEA for tax purposes.

Norwegian Corporate Shareholders

Dividends distributed from the Company to Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**"), are taxable as ordinary income in Norway for such shareholders at a flat rate of 22%.

Non-Norwegian Shareholders

As a general rule, dividends received by shareholders not resident in Norway for tax purposes ("**Non-Norwegian Shareholders**") from shares in non-Norwegian companies are not subject to Norwegian taxation unless the Non-Norwegian Shareholder holds the shares in connection with business activities carried out or managed from Norway.

*16.2.2 Taxation of capital gains on realisation of shares***Norwegian Personal Shareholders**

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. The effective tax rate on gain or loss related to shares realised by Norwegian Personal Shareholders is currently 31.68%; i.e. capital gains (less the tax free allowance) and losses shall be multiplied by 1.44 which are then included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses realised by Norwegian Personal Shareholders to 31.68%.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realisation of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance provided that such allowance has not already been used to reduce taxable dividend income. Please refer to Section 16.2.1 "Taxation of dividends" (Norwegian Personal Shareholders) above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled. Unused allowance may not be set off against gains from realisation of other shares.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

The Shares will not qualify for Norwegian share saving accounts (*Nw.: aksjesparekonto*) held by Norwegian Personal Shareholders since the Company is resident outside the EEA for tax purposes.

Norwegian Corporate Shareholders

A capital gain or loss derived by a Norwegian Corporate Shareholder from a disposal of shares in the Company is taxable or tax deductible in Norway. The taxable gain/deductible loss per share is calculated as the difference between the consideration for the share and the Norwegian Corporate Shareholder's cost price of the share, including costs incurred in relation to the acquisition or disposal of the share. Such capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal. Ordinary income is taxable at a rate of currently 22%. The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

If the Norwegian Corporate Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Non-Norwegian Shareholders

As a general rule, capital gain or loss derived from the sale or other disposal of shares by a Non-Norwegian Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Shareholder holds the shares in connection with business activities carried out or managed from Norway.

16.2.3 Controlled Foreign Corporation (CFC) taxation

Norwegian Shareholders in the Company will be subject to Norwegian taxation according to the Norwegian Controlled Foreign Corporations regulations (Norwegian CFC-regulations) if Norwegian Shareholders directly or indirectly own or control (hereinafter together referred to as "Control") the Shares of the Company.

Norwegian shareholders will be considered to Control the Company if:

- Norwegian Shareholders Control 50% or more of the shares or capital in the Company, at both the beginning and at the end of a tax year;
- If Norwegian Shareholders Controlled the Company the previous tax year, the Company will also be considered Controlled by Norwegian shareholders in the following tax year unless Norwegian shareholders Control less than 50% of the shares or capital at both the beginning and the end of the following tax year; or
- Norwegian Shareholders Control more than 60% of the shares or capital in the Company at the end of a tax year.

If less than 40% of the shares or capital are Controlled by Norwegian shareholders at the end of a tax year, the Company will not be considered Controlled by Norwegian shareholders for Norwegian tax purposes.

Under the Norwegian CFC-regulations Norwegian Shareholders are subject to Norwegian taxation on their proportionate part of the taxable net income generated by the Company, calculated according to Norwegian tax regulations, regardless of whether or not any dividends are distributed from the Company.

16.2.4 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 0.85% of the value assessed. The value for assessment purposes for listed shares is equal to 75% of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year). The value of debt allocated to the listed shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 75%).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

16.2.5 VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

16.2.6 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

17 TERMS OF THE OFFERING

17.1 Overview of the Offering

The Offering consists of an offer of up to 46,849,342 new Shares, each with a par value of USD 0.01, to raise an amount of approximately NOK 1,602,247,500 (equivalent to USD 175 million at the Offer Exchange Rate). In addition, the Joint Global Coordinators may elect to over-allot a number of Additional Shares equal to up to 15% of the final number of Offer Shares sold in the Offering. In this respect, BW Offshore is expected to grant to the Stabilisation Manager (Pareto), on behalf of the Joint Global Coordinators, an option to borrow a number of Shares (the "**Borrowing Option**") equal to the number of Additional Shares in order to facilitate such over-allotment and delivery of over-allotted Shares. The Stabilisation Manager, on behalf of the Joint Global Coordinators, is expected to be granted an option by the Company to purchase a number of new Shares equal to the number of Additional Shares at a price per Share equal to the Offer Price (the Greenshoe Option), exercisable, in whole or in part, within a 30-day period commencing at the time at which trading in the Shares commences on the Oslo Stock Exchange, expected to be on or about 11 February 2020, on the terms and subject to the conditions described in this Prospectus.

The Offering consists of:

- an Institutional Offering, in which Offer Shares are being offered to (a) investors in Norway, (b) investors outside Norway and the United States, subject to applicable exemptions from the prospectus requirements, and (c) investors in the United States who are QIBs in transactions exempt from registration requirements under the U.S. Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,000,000.
- a Retail Offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each investor. Investors who intend to place an order in excess of NOK 1,999,999 must do so in the Institutional Offering. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit. In addition to the public in Norway, Directors of the Company and employees of the Group may apply for Offer Shares in the Retail Offering.

All offers and sales in the United States will be made only to QIBs in reliance on Rule 144A or pursuant to another exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act. All offers and sales outside the United States will be made in compliance with Regulation S.

This Prospectus does not constitute an offer of, or an invitation to purchase, the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. For further details, see "Important information" and Section 19 "Selling and transfer restrictions".

The Bookbuilding Period for the Institutional Offering is expected to take place from 30 January 2020 at 09:00 hours (CET) to 7 February 2020 at 14:00 hours (CET). The Application Period for the Retail Offering is expected to take place from 30 January 2020 at 09:00 hours (CET) to 7 February 2020 at 12:00 hours (CET). The Company, in consultation with the Joint Global Coordinators, reserves the right to shorten or extend the Bookbuilding Period and/or the Application Period at any time at its sole discretion. Any shortening of the Bookbuilding Period and/or the Application Period will be announced through the Oslo Stock Exchange's information system on or before 09:00 hours (CET) on the prevailing expiration date of the Bookbuilding Period and/or the Application Period, provided, however, that in no event will the Bookbuilding Period and/or the Application Period be shortened to expire prior to 16:30 hours (CET) on 6 February 2020. Any extension of the Bookbuilding Period and/or the Application Period will be announced through the Oslo Stock Exchange's information system on or before 09:00 hours (CET) on the first business day following the then prevailing expiration date of the Bookbuilding Period and/or the Application Period. An extension of the Bookbuilding Period and/or the Application Period can be made one or several times provided, however, that in no event will the Bookbuilding Period and/or the Application Period be extended beyond 16:30 hours (CET) on 24 February 2020. In the event of a shortening or an extension of the Bookbuilding Period and/or the Application Period, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly, but the date of the Listing and commencement of trading on the Oslo Stock Exchange may not necessarily be changed.

The Company has, together with the Joint Global Coordinators, set an Indicative Price Range for the Offering from NOK 34.20 to NOK 36.60 per Offer Share. The Indicative Price Range may change during the course of the Offering, and the Offer Price may be set within, above or below the Indicative Price Range. Assuming that the Offer Price is set at the low-point of this range and 46,849,342 Offer Shares are sold in the Offering (i.e. excluding any over-allotments), the Offer Shares will represent approximately 20% of the Shares in issue following the Offering.

The Company, in consultation with the Joint Global Coordinators, will determine the number of Offer Shares and the Offer Price on the basis of the bookbuilding process in the Institutional Offering and the number of applications received in the Retail Offering. The bookbuilding process, which will form the basis for the final determination of the number of Offer Shares and the Offer Price, will be conducted only in connection with the Institutional Offering. Any change to the Indicative Price Range and the final Offer Price will be communicated by way of an announcement distributed through the Oslo Stock Exchange's information system.

The Company expects that it will, on or about 7 February 2020, enter into a placement agreement (the "**Placement Agreement**") with the Managers with respect to the Offering of the Offer Shares.

In order to permit delivery in respect of over-allotments made, if any, BW Offshore is expected to grant to the Stabilisation Manager (Pareto), on behalf of the Managers, the Borrowing Option to borrow from BW Offshore a number of Shares equal to the number of Additional Shares. The Company is further expected to grant the Stabilisation Manager, on behalf of the Managers, the Greenshoe Option to purchase a number of Shares from the Company up to the number of Additional Shares at a price per Share equal to the Offer Price, exercisable, in whole or in part, within a 30-day period commencing at the time at which trading in the Shares commences on the Oslo Stock Exchange (expected to be on or about 11 February 2020), on the terms and subject to the conditions described in this Prospectus. See Section 17.11 "Over-allotment and stabilisation activities" for further details.

Completion of the Offering is conditional upon, among other conditions, the Company satisfying the listing conditions and being listed on the Oslo Stock Exchange, see Section 17.15 "Conditions for completion of the Offering – Listing and trading of the Offer Shares".

The Company has made and will make certain representations and warranties in favour of, and have agreed to certain undertakings with, the Managers in the mandate agreement, and are expected to agree to certain undertakings with the Managers in the Placement Agreement and ancillary agreements and documents entered into in connection with the Offering and the Listing. Further, the Company and BW Offshore will give an undertaking that will restrict its ability to issue, sell or transfer Shares for 12 months from the first day of trading in the Shares on the Oslo Stock Exchange. The members of the Board of Directors, the Management and certain other primary insiders and executives of the Group are expected to give a lock-up undertaking on the same for 12 months. Furthermore, the Company has undertaken, subject to certain conditions and limitations, to indemnify the Managers against certain liabilities arising out of or in connection with the Offering.

See Section 17.17 "Expenses of the Offering and the Listing" for information regarding fees expected to be paid to the Managers and costs expected to be paid by the Company in connection with the Offering.

17.2 Timetable

The timetable set out below provides certain indicative key dates for the Offering (subject to shortening or extensions):

Bookbuilding Period commences.....	30 January 2020 at 09:00 hours (CET)
Bookbuilding Period ends.....	7 February 2020 at 14:00 hours (CET)
Application Period commences	30 January 2020 at 09:00 hours (CET)
Application Period ends	7 February 2020 at 12:00 hours (CET)
Allocation of the Offer Shares.....	On or about 7 February 2020
Publication of the results of the Offering	On or about 7 February 2020
Issuance of allocation notes	On or about 10 February 2020
Accounts from which payment will be debited in the Retail Offering to be sufficiently funded	On or about 10 February 2020
Payment date in the Retail Offering.....	On or about 11 February 2020
Delivery of the Offer Shares in the Retail Offering (subject to timely payment).....	On or about 12 February 2020
Payment date in the Institutional Offering.....	On or about 12 February 2020
Delivery of the Offer Shares in the Institutional Offering.....	On or about 12 February 2020
Commencement trading in the Shares.....	On or about 11 February 2020

Note that the Company, together with the Joint Global Coordinators, reserves the right to shorten or extend the Bookbuilding Period and/or the Application Period. In the event of a shortening or an extension of the Bookbuilding Period and/or the Application Period, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly, but the date of the Listing and commencement of trading on the Oslo Stock Exchange may not necessarily be changed.

17.3 Resolution relating to the Offering and the issue of the Offer Shares

On 26 January 2020, the Board of Directors resolved to approve the Price Range and the launch of the Bookbuilding Period/Application Period. On 26 September 2019, the Company's authorised share capital was increased to USD 3,000,000, corresponding to 300,000,000 Shares, of which 187,400,100 Shares have been issued. No additional increase in the Company's authorised share capital is necessary in connection with the Offering.

Following the end of the Bookbuilding Period and the Application Period, the Board of Directors will on or about 7 February 2020 consider and, if thought fit, approve by written resolution the completion of the Offering. If the Board of Directors determines that the Offering shall be completed, then it will also determine the final Offer Price, the number of Offer Shares to be issued and the allocation of the Offer Shares. The Offer Shares are expected to be issued on or about the same date.

17.4 The Institutional Offering

17.4.1 Determination of the number of Offer Shares and the Offer Price

The Company has, together with the Joint Global Coordinators, set an Indicative Price Range for the Offering from NOK 34.20 to NOK 36.60 per Offer Share. The Company will, in consultation with the Joint Global Coordinators, determine the number of Offer Shares and the Offer Price on the basis of the applications received and not withdrawn in the Institutional Offering during the Bookbuilding Period and the number of applications received in the Retail Offering. The Offer Price will be determined on or about 7 February 2020. The Offer Price may be set within, below or above the Indicative Price Range. Investors' applications for Offer Shares in the Institutional Offering will, after the end of the Bookbuilding Period, be irrevocable and binding regardless of whether the Offer Price is set within, below or above the Indicative Price Range. The final Offer Price is expected to be announced by the Company through the Oslo Stock Exchange's information system on or about 7 February 2020 under the ticker code "BWE".

17.4.2 Bookbuilding Period

The Bookbuilding Period for the Institutional Offering will last from 30 January 2020 at 09:00 hours (CET) to 7 February 2020 at 14:00 hours (CET), unless shortened or extended.

The Company, in consultation with the Joint Global Coordinators, may shorten or extend the Bookbuilding Period at any time, and extension may be made on one or several occasions. The Bookbuilding Period may in no event expire prior to 16:30 hours (CET) on 6 February 2020 or be extended beyond 16:30 hours (CET) on 24 February 2020. In the event of a shortening or an extension of the Bookbuilding Period, the allocation date, the payment due date and the date of delivery of Offer Shares will be changed accordingly, but the date of the Listing and commencement of trading on the Oslo Stock Exchange may not necessarily be changed.

17.4.3 Minimum application

The Institutional Offering is subject to a minimum application of NOK 2,000,000 per application. Investors in Norway who intend to place an application for less than NOK 2,000,000 must do so in the Retail Offering.

17.4.4 Application procedure

Applications for Offer Shares in the Institutional Offering must be made during the Bookbuilding Period by informing one of the Managers shown below of the number of Offer Shares that the investor wishes to order, and the price per share that the investor is offering to pay for such Offer Shares.

DNB Markets

Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
0021 Oslo
Norway
Telephone: +47 23 26 80 20
Email: demand@dnb.no

Pareto Securities AS

Dronning Mauds gate 3
P.O. Box 1411 Vika
0115 Oslo
Norway
Telephone: +47 22 87 87 00
Email: subscription@paretosec.com

Arctic Securities AS

Haakon VIIIs gate 5
P.O. Box 1833 Vika
0123 Oslo
Norway
Telephone: +47 21 01 30 40
Email: subscription@arctic.com

Danske Bank, Norwegian Branch	Nordea Bank Abp, filial i Norge, Issuer Services	Swedbank AB (publ)
Bryggetorget 4 P.O. Box 1170 Sentrum 0107 Norway Telephone: +47 23 26 81 01 Email: emisjoner@danskebank.com	Essendropsgate 7 P.O. Box 1166 Sentrum 0107 Oslo Norway Email: nis@nordea.com	Filipstad Brygge 1 P.O. Box 1441 Vika 0115 Oslo Norway Telephone: +47 23 23 80 00 E-mail: subscription@swedbank.no

All applications in the Institutional Offering will be treated in the same manner regardless of which Manager the applicant chooses to place the application with. Any orally placed application in the Institutional Offering will be binding for the investor and subject to the same terms and conditions as a written application. The Managers may, at any time and in their sole discretion, require the investor to confirm orally placed applications in writing. Applications made may be withdrawn or amended by the investor at any time up to the expiry of the Bookbuilding Period. At the close of the Bookbuilding Period, all applications in the Institutional Offering that have not been withdrawn or amended are irrevocable and binding for the investor.

17.4.5 Allocation, payment for and delivery of Offer Shares

The Joint Global Coordinators expect to issue notifications of allocation of Offer Shares in the Institutional Offering on or about 10 February 2020, by issuing contract notes to the applicants by mail or otherwise.

Payment by applicants in the Institutional Offering will take place against delivery of Offer Shares. Delivery and payment for Offer Shares is expected to take place on or about 12 February 2020 (the "**Institutional Closing Date**") through the facilities of the VPS.

For late payment, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Overdue Payment of 17 December 1976 no. 100 (the "**Norwegian Act on Overdue Payment**"), which, at the date of this Prospectus, is 9.5% per annum. If payment is not made when due, the Offer Shares allocated will not be delivered to the applicants, and the Joint Global Coordinators reserve the right, at the risk and cost of the applicant, to cancel the application and to re-allot or, from the third day after the payment due date, otherwise dispose of or assume ownership to the allocated Offer Shares on such terms and in such manner as the Joint Global Coordinators may decide (and the applicant will not be entitled to any profit). The original applicant remains liable for payment for the Offer Shares allocated to the applicant, together with any interest, cost, charges and expenses accrued, and the Joint Global Coordinators may enforce payment of any such amount outstanding.

The original applicant will be liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Joint Global Coordinators may enforce payment of any such amount outstanding. The investors will not have any rights or claims against the Joint Global Coordinators.

17.5 The Retail Offering

17.5.1 Offer Price

The price for the Offer Shares offered in the Retail Offering will be the same as in the Institutional Offering, see Section 17.4.1 "Determination of the number of Offer Shares and the Offer Price".

Each applicant in the Retail Offering will be permitted, but not required, to indicate when ordering through the VPS online application system or on the application form to be used to apply for Offer Shares in the Retail Offering, attached to this Prospectus as Appendix B (the "**Retail Application Form**"), that the applicant does not wish to be allocated Offer Shares should the Offer Price be set higher than the highest price in the Indicative Price Range (i.e. higher than NOK 36.60 per Offer Share). If the applicant does so, the applicant will not be allocated any Offer Shares in the event that the Offer Price is set higher than the highest price in the Indicative Price Range. If the applicant does not expressly stipulate such reservation when ordering through the VPS online application system or on the Retail Application Form, the application will be binding regardless of whether the Offer Price is set within or above (or below) the Indicative Price Range, as long as the Offer Price has been determined on the basis of orders placed during the bookbuilding process described above.

17.5.2 Application period

The Application Period during which applications for Offer Shares in the Retail Offering will be accepted will last from 30 January 2020 at 09:00 hours (CET) to 7 February 2020 at 12:00 hours (CET), unless shortened or extended. The

Company may, in consultation with the Joint Global Coordinators, shorten or extend the Application Period at any time and for any reason, and extension may be made on one or several occasions. The Application Period may in no event expire prior to 16:30 hours (CET) on 6 February 2020 or be extended beyond 14:00 hours (CET) on 24 February 2020. In the event of a shortening or an extension of the Application Period, the allocation date, the payment due date and the date of delivery of Offer Shares may be changed accordingly, but the date of the Listing and commencement of trading on the Oslo Stock Exchange will not necessarily be changed.

17.5.3 Minimum and maximum application

The Retail Offering is subject to a minimum application amount of NOK 10,500 and a maximum application amount of NOK 1,999,999 for each applicant.

Multiple applications are allowed. One or multiple applications from the same applicant in the Retail Offering with a total application amount in excess of NOK 1,999,999 will be adjusted downwards to an application amount of NOK 1,999,999. If two or more identical application forms are received from the same investor, the application form will only be counted once unless otherwise explicitly stated on one of the application forms. In the case of multiple applications through the VPS online application system or applications made both on a physical application form and through the VPS online application system, all applications will be counted. Investors who intend to place an order in excess of NOK 1,999,999 must do so in the Institutional Offering.

17.5.4 Application procedures and application offices

Norwegian applicants in the Retail Offering who are residents of Norway with a personal identification number are recommended to apply for Offer Shares through the VPS online application system by following the link to such online application system on the following websites: www.DNB.no/emisjoner and www.paretosec.com/transactions Applicants in the Retail Offering not having access to the VPS online application system must apply using the Retail Application Form attached to this Prospectus as [Appendix B](#) "Application Form for the Retail Offering". Retail Application Forms, together with this Prospectus, can be obtained from the Company free of charge at its Singapore office, the Company's website www.bwenergy.no, the Joint Global Coordinators' websites or the application offices listed below. Applications made through the VPS online application system must be duly registered during the Application Period.

The application offices for physical applications in the Retail Offering are:

DNB Markets

Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
0021 Oslo
Norway

Telephone: +47 23 26 80 20
Email: retail@dnb.no

Pareto Securities AS

Dronning Mauds gate 3
P.O Box 1411 Vika
0115 Oslo
Norway

Telephone: +47 22 87 87 00
Email: subscription@paretosec.com

All applications in the Retail Offering will be treated in the same manner regardless of which of the above Joint Global Coordinators the applications are placed with. Further, all applications in the Retail Offering will be treated in the same manner regardless of whether they are submitted by delivery of a Retail Application Form or through the VPS online application system.

Retail Application Forms that are incomplete or incorrectly completed, electronically or physically, or that are received after the expiry of the Application Period, may be disregarded without further notice to the applicant. The same applies to applications that are unlawful. Properly completed Retail Application Forms must be received by one of the application offices listed above or registered electronically through the VPS application system by 12:00 hours (CET) on 7 February 2020, unless the Application Period is shortened or extended. Neither the Company nor any of the Joint Global Coordinators may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by any application office.

Subject to Section 17.5.1 "Offer Price" above, all applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed Retail Application Form, or in the case of applications through the VPS online application system, upon registration of the application, irrespective of any shortening or extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office, or in the case of applications through the VPS online application system, upon registration of the application.

17.5.5 Allocation, payment and delivery of Offer Shares

Pareto, acting as settlement agent for the Retail Offering, expects to issue notifications of allocation of Offer Shares in the Retail Offering on or around 10 February 2020, by issuing allocation notes to the applicants by mail or otherwise. Any applicant wishing to know the precise number of Offer Shares allocated to it may contact one of the application offices listed above on or around 10 February 2020 during business hours. Applicants who have access to investor services through an institution that operates the applicant's account with the VPS for the registration of holdings of securities ("**VPS account**") should be able to see how many Offer Shares they have been allocated from on or around 10 February 2020.

In registering an application through the VPS online application system or completing a Retail Application Form, each applicant in the Retail Offering will authorise Pareto (on behalf of the Joint Global Coordinators) to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's bank account number must be stipulated on the VPS online application or on the Retail Application Form. Accounts will be debited on or about 11 February 2020 (the "**Payment Date**"), and there must be sufficient funds in the stated bank account from and including 10 February 2020. Applicants who do not have a Norwegian bank account must ensure that payment for the allocated Offer Shares is made on or before the Payment Date (expected to be 11 February 2020).

Further details and instructions will be set out in the allocation notes to the applicant to be issued on or around 10 February 2020, or can be obtained by contacting the Joint Global Coordinators.

Should any applicant have insufficient funds on his or her account, or should payment be delayed for any reason, or if it is not possible to debit the account, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments, which at the date of this Prospectus is 9.5% per annum. Pareto (on behalf of the Joint Global Coordinators) reserves the right (but has no obligation) to make up to three debit attempts through 25 February 2020 if there are insufficient funds on the account on the Payment Date. If payment has not been made when due, the Offer Shares allocated will not be delivered to the applicant, and the Joint Global Coordinators reserve the right, at the risk and cost of the applicant, to cancel at any time thereafter the application and to re-allot or, from the third day after the Payment Date, otherwise dispose of or assume ownership to the allocated Offer Shares, on such terms and in such manner as the Joint Global Coordinators may decide (and the applicant will not be entitled to any profit there from). The original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Joint Global Coordinators may enforce payment of any such amount outstanding.

The original applicant will be liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Joint Global Coordinators may enforce payment of any such amount outstanding. The investors will not have any rights or claims against the Joint Global Coordinators.

Subject to timely payment by the applicant, delivery of the Offer Shares allocated in the Retail Offering is expected to take place on or around 12 February 2020.

17.6 Mechanism of allocation

It has been provisionally assumed that approximately 90% to 99% of the Offering will be allocated in the Institutional Offering and that approximately 1% to 10% of the Offering will be allocated in the Retail Offering. The final determination of the number of Offer Shares allocated to the Institutional Offering, the Retail Offering will only be decided, however, by the Company, in consultation with the Joint Global Coordinators, following the completion of the bookbuilding process for the Institutional Offering, based on among other things the level of orders or applications received from each of the categories of investors. The Company and the Joint Global Coordinators reserve the right to deviate from the provisionally assumed allocation between tranches without further notice and at their sole discretion.

No Offer Shares have been reserved for any specific national market.

In the Institutional Offering, the Company, together with the Joint Global Coordinators, will determine the allocation of Offer Shares. An important aspect of the allocation principles is the desire to create an appropriate long-term shareholder structure for the Company. The allocation principles will, in accordance with normal practice for institutional placements, include factors such as premarketing and management road-show participation and feedback, timeliness of the order, price level, relative order size, existing shareholding in BW Offshore, sector knowledge, investment history, perceived investor quality and investment horizon. The Company and the Joint Global Coordinators further reserve the right, at their sole discretion, to take into account the creditworthiness of any applicant. The Company and the Joint Global Coordinators may also set a maximum allocation, or decide to make no allocation to any applicant.

In the Retail Offering, no allocations will be made for a number of Offer Shares representing an aggregate value of less than NOK 10,500 per applicant provided, however, that all allocations will be rounded down to the nearest number of whole Offer Shares and the payable amount will hence be adjusted accordingly. One or multiple orders from the same applicant in the Retail Offering with a total application amount in excess of NOK 1,999,999 will be adjusted downwards to an application amount of NOK 1,999,999. In the Retail Offering, allocation will be made on a pro rata basis using the VPS automated simulation procedures, provided, however, that the Company and the Joint Global Coordinators reserve the right, at their sole discretion, to give full allocation to employees of the Group and the BW Offshore group and members of Management and the Board of Directors having applied for Offer Shares in the Retail Offering.

The Company and the Joint Global Coordinators reserve the right to limit the total number of applicants to whom Offer Shares are allocated if the Company and the Joint Global Coordinators deem this to be necessary in order to keep the number of shareholders in the Company at an appropriate level and such limitation does not have the effect that any conditions for the Listing regarding the number of shareholders will not be satisfied. If the Company and the Joint Global Coordinators should decide to limit the total number of applicants to whom Offer Shares are allocated, the applicants to whom Offer Shares are allocated will be determined on a random basis by using the VPS automated simulation procedures and/or other random allocation mechanism.

17.7 VPS account

To participate in the Offering, each applicant must have a VPS account. The VPS account number must be stated when registering an application through the VPS online application system or on the Retail Application Form for the Retail Offering. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. Investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance. Establishment of VPS accounts requires verification of identification by the relevant VPS registrar in accordance with Norwegian anti-money laundering legislation (see Section 17.10 "Mandatory anti-money laundering procedures").

17.8 National Client Identifier and Legal Entity Identifier

17.8.1 Introduction

In order to participate in the Offering, applicants will need a global identification code. Physical persons will need a so-called National Client Identifier ("**NCI**") and legal entities will need a so-called Legal Entity Identifier ("**LEI**"). Investors who do not already have an NCI or LEI, as applicable, must obtain such codes in time for the application in order to participate in the Offering.

17.8.2 NCI code for physical persons

Physical persons must have an NCI code to participate in a financial market transaction. The NCI code is a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID number (*Nw.: fødselsnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

17.8.3 LEI code for legal entities

A LEI code is a mandatory number for all legal entities investing in a financial market transaction. A LEI code is a 20-character code that identifies distinct legal entities that engage in financial market transactions. The Global Legal Identifier Foundation ("**GLEIF**") is not directly issuing LEIs, but delegates this responsibility to Local Operating Units ("**LOUs**").

Norwegian companies may apply for a LEI code through the website <https://no.nordlei.org/>. The application may be submitted through an online form and signed electronically with BankID. It normally takes one to two working days to process the application.

Non-Norwegian companies can find a complete list of LOUs on the website <https://www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organisations>.

17.9 Product governance

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the MiFID II Product Governance

Requirements), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Target Market Assessment).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

17.10 Mandatory anti-money laundering procedures

The Offering is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 (collectively, the "**Anti-Money Laundering Legislation**").

Applicants who are not registered as existing customers of any of the Managers must verify their identity to the Manager in which the order is placed in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period may not be allocated Offer Shares.

17.11 Over-allotment and stabilisation activities

17.11.1 Over-allotment of Additional Shares

In connection with the Offering, the Joint Global Coordinators may elect to over-allot a number of Additional Shares, equal to up to approximately 15% of the aggregate number of Offer Shares and, in order to permit delivery in respect of over-allotments made, the Stabilisation Manager (Pareto) may, pursuant to the Borrowing Option, require BW Offshore Limited to lend to the Stabilisation Manager, on behalf of the Managers, a number of Shares equal to the number of Additional Shares allocated in the Offering. Further, the Company is expected to grant to the Stabilisation Manager, on behalf of the Managers, the Greenshoe Option to purchase from the Company a number of new Shares up to the number of Additional Shares allocated in the Offering at a price equal to the final Offer Price in the Offering, which may be exercised by the Stabilisation Manager, on behalf of the Managers, within 30 days of commencement of trading in the Shares on the Oslo Stock Exchange. To the extent that the Managers have over-allotted Shares in the Offering, the Managers have created a short position in the Shares. The Stabilisation Manager may close out this short position by buying Shares in the market through stabilisation activities and/or by exercising the Greenshoe Option.

A stock exchange notice will be published on the first day of trading in the Shares on the Oslo Stock Exchange (expected to take place on or about 11 February 2020), announcing whether the Managers have over-allotted Shares in connection with the Offering. Any exercise of the Greenshoe Option will be promptly announced by the Stabilisation Manager through the Oslo Stock Exchange's information system.

17.11.2 Price stabilisation

The Stabilisation Manager (Pareto) may, upon exercise of the Borrowing Option, from the first day of the Listing effect transactions with a view to support the market price of the Shares at a level higher than what might otherwise prevail, through buying Shares in the open market at prices equal to or lower than the Offer Price. There is no obligation on the Stabilisation Manager to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilising activities, if commenced, may be discontinued at any time, and will be brought to an end at the latest 30 calendar days after the commencement of trading in the Shares on the Oslo Stock Exchange.

Any stabilisation activities will be conducted in accordance with Section 3-12 of the Norwegian Securities Trading Act and the EC Commission Regulation 2273/2003 regarding buy-back programs and stabilisation of financial instruments.

The Company and the Managers have agreed that any profit resulting from stabilisation activities conducted by the Stabilisation Manager, on behalf of the Managers, will be for the account of the Company.

Within one week after the expiry of the 30 calendar day period of price stabilisation, the Stabilisation Manager will publish information as to whether or not price stabilisation activities were undertaken. If stabilisation activities were undertaken, the statement will also include information about: (i) the total amount of Shares sold and purchased; (ii) the dates on which the stabilisation period began and ended; (iii) the price range between which stabilisation was carried out, as well as the highest, lowest and average price paid during the stabilisation period; and (iv) the date at which stabilisation activities last occurred.

It should be noted that stabilisation activities might result in market prices that are higher than would otherwise prevail. Stabilisation may be undertaken, but there is no assurance that it will be undertaken and it may be stopped at any time.

17.12 Publication of information in respect of the Offering

In addition to press releases which will be posted on the Company's website, the Company will use the Oslo Stock Exchange's information system to publish information relating to the Offering, such as amendments to the Bookbuilding Period and the Application Period (if any), the final Offer Price, the number of Offer Shares and the total amount of the Offering, allotment percentages, and first day of trading.

The final determination of the Offer Price, the number of Offer Shares and the total amount of the Offering is expected to be published on or about 7 February 2020.

17.13 The rights conferred by the Offer Shares

The Offer Shares will be issued in accordance with Bermuda law and the Bermuda Companies Act. The Offer Shares will in all respects rank pari passu with all other Shares in issue, and will be eligible for any dividend that the Company may declare on the Shares after the delivery of the Offer Shares through registration in the VPS (expected on or around 12 February 2020). For a description of rights attached to the Shares, see Section 14 "Corporate information and description of the share capital".

17.14 VPS registration

At the date hereof, the Shares are registered in the register of members of the Company maintained at the registered office of the Company in Bermuda. When the Shares are listed or admitted to trading on an Appointed Stock Exchange, such as the Oslo Stock Exchange, the Shares may be directly registered in the VPS. On this basis, the Company will seek to register all of the Shares in book-entry form in the VPS in connection with the Listing.

The title to the Shares will be evidenced and transferred without a written instrument by the VPS. The Offer Shares will be registered in book-entry form with the VPS and have ISIN BMG0702P1086. On the basis of the Registrar Agreement, the Company's registrar with the VPS is DNB Markets, Registrars Department, P.O. Box 1600 Sentrum, N-0021 Oslo, Norway.

BW Energy cannot guarantee that the VPS Registrar will fulfil its obligations and duties under the Registrar Agreement, which may lead to Shareholders not being able to exercise their shareholder rights. The VPS Registrar may terminate the Registrar Agreement by giving not less than three months prior written notice. Further, the VPS Registrar may terminate the Registrar Agreement with immediate effect if BW Energy does not perform its payment obligations to the VPS Registrar or commits any other material breach of the Registrar Agreement. In the event that the Registrar Agreement is terminated, BW Energy will use its reasonable efforts to enter into a replacement agreement for purposes of permitting the uninterrupted trading of the Shares on the Oslo Stock Exchange. There can be no assurance, however, that it would be possible to enter into such an agreement on substantially the same terms or at all. A termination of the Registrar Agreement could, therefore, have a material and adverse effect on BW Energy and its Shareholders.

The Registrar Agreement limits the VPS Registrar's liability for any loss suffered by BW Energy. The VPS Registrar disclaims any liability for any loss attributable to circumstances beyond the VPS Registrar's control, including, but not limited to, errors committed by others. The VPS Registrar is liable for direct losses incurred as a result from events within the VPS Registrar's control. Thus, BW Energy may not be able to recover its entire loss if the VPS Registrar does not perform its obligations under the Registrar Agreement.

17.15 Conditions for completion of the Offering – Listing and trading of the Offer Shares

The Company will on or about 31 January 2020 apply for Listing of its Shares on the Oslo Stock Exchange. It is expected that the board of directors of Oslo Børs will approve the listing application of the Company on or about 6 February 2020, conditional upon the Company obtaining a minimum of 500 shareholders, each holding Shares with a value of more than NOK 10,000 and the Company satisfying the minimum free float requirement set by Oslo Børs. Oslo Børs has indicated to the Company that an exemption from the 25% free float requirement will be granted for a period of 18 months from the first day of trading, provided that the free float at the first day of trading is at least 22%. The Company expects that these conditions will be fulfilled through the Offering and the BW Offshore Dividend Distribution.

Completion of the Offering on the terms set forth in this Prospectus is expressly conditional upon the board of directors of Oslo Børs approving the application for Listing in its meeting to be held on or about 6 February 2020, on conditions acceptable to the Company and that any such conditions are satisfied by the Company. The Offering will be cancelled in the event that the conditions are not satisfied. There can be no assurance that the board of directors of Oslo Børs will give such approval or that the Company will satisfy these conditions.

Completion of the Offering on the terms set forth in this Prospectus is otherwise only conditional on (i) the Company, in consultation with the Joint Global Coordinators, resolving to proceed with the Offering, (ii) the Company, in consultation with the Joint Global Coordinators, having approved the Offer Price and the allocation of the Offer Shares to eligible investors following the bookbuilding process and (iii) BW Offshore having finally resolved the BW Offshore Dividend Distribution. There can be no assurance that these conditions will be satisfied. If the conditions are not satisfied, the Offering may be revoked or suspended.

Assuming that the conditions are satisfied, the first day of trading of the Shares, including the Offer Shares, on the Oslo Stock Exchange, is expected to be on or about 11 February 2020. The Shares are expected to trade under the ticker code "BWE".

Applicants in the Retail Offering selling Offer Shares prior to delivery must ensure that payment for such Offer Shares is made on or prior to the Payment Date, by ensuring that the stated bank account is sufficiently funded on 10 February 2020. Applicants in the Institutional Offering selling Offer Shares prior to delivery must ensure that payment for such Offer Shares is made on or prior to the Institutional Closing Date. Accordingly, an applicant who wishes to sell his/her Offer Shares, following confirmed allocation of Offer Shares, but before delivery, must ensure that timely payment is made in order for such Offer Shares to be delivered in time to the applicant.

Prior to the Listing and the Offering, the Shares are not listed on any stock exchange or authorised market place, and no application has been filed for listing on any stock exchanges or regulated market places other than the Oslo Stock Exchange.

17.16 Dilution

Assuming that the Offer Price is set at the low-end of the Indicative Price Range, up to 46,849,342 Offer Shares may be issued in the Offering, which corresponds to a dilution for the existing Shareholders of approximately 20% (approximately 22.3% assuming full exercise of the Greenshoe Option). Assuming that the Offer Price is set at the high end of the Indicative Price Range, up to 43,777,254 Offer Shares may be issued in the Offering, which corresponds to a dilution for the existing Shareholders of approximately 18.94% (approximately 21.18% assuming full exercise of the Greenshoe Option).

17.17 Expenses of the Offering and the Listing

Under the mandate agreement to be entered into by the Managers and the Company in connection with the Listing and the Offering, the Company will pay a commission calculated on as a percentage of the gross proceeds in the Offering, and a fixed fee.

The total costs and expenses of the Company of, and incidental to, the Listing and the Offering are estimated to amount to approximately USD 10 million (equivalent to NOK 91.6 million based on the Offer Exchange Rate).

No expenses or taxes will be charged by the Company or the Managers to the applicants in the Offering.

17.18 Lock-up**17.18.1 The Company**

Pursuant to a lock-up undertaking to be included in the Placement Agreement, the Company is expected to undertake that it will not, without the prior written consent of the Joint Global Coordinators, during the period up to and including the date falling 12 months from the first day of trading of the Shares on the Oslo Stock Exchange, (1) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or other equity interest in the capital of the Company or any securities convertible into or exercisable for such Shares or other equity interests, or (2) enter into any swap or other agreement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares or other equity interests, whether any such transaction described in (1) or (2) above is to be settled by delivery of the Shares or other securities or interests, in cash or otherwise, or (3) publicly announce or indicate an intention to effect any transaction specified in (1) or (2) above. The foregoing shall not apply to: (A) the issuance of Shares pursuant to the Placing Agreement, or (B) the granting of options or other rights to Shares, or the honouring of options or such other rights to Shares, by the Company pursuant to any management or employee share incentive schemes.

17.18.2 Existing Shareholders

Each of BW Offshore and BW Group are expected to undertake that they will not without the prior written consent of the Joint Global Coordinators, during the period up to and including the date falling 12 months from the first day of trading of the Shares on the Oslo Stock Exchange, (1) sell, offer to sell, contract or agree to sell, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (3) publicly announce an intention to effect any transaction specified in clause (1) or (2), provided, however, that the foregoing shall not apply to: (A) the Dividend (for BW Offshore only), (B) the lending of Shares to any of the Managers pursuant to the Placing Agreement (for BW Offshore only), (C) any action in connection with a takeover offer for all Shares in accordance with chapter 6 of the Norwegian Securities Trading Act or a legal merger, or (D) any transfer of Shares to wholly owned subsidiaries of BW Offshore and BW Group, who assume the same lock-up obligations as undertaken by the transferor.

17.18.3 Management and Directors

The Directors and members of Management are expected to undertake that they shall not and will not, directly or indirectly, without the prior written consent of the Joint Global Coordinators (1) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option or right to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, any Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Shares or any securities convertible into or exercisable or exchangeable for Shares, or warrants or other rights to purchase Shares, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (3) publicly announce an intention to effect any transaction specified in clause (1) or (2) above, for a period of 12 months following the first day of listing of the Shares on the Oslo Stock Exchange.

The lock-up undertaking shall not apply to any action in connection with a takeover offer pursuant to chapter 6 of the Norwegian Securities Trading Act or statutory merger or amalgamation. Further, the undertaking shall not restrict the Director or member of Management from pledging any Shares to a financial institution. The lock-up undertaking shall apply to any Shares that the respective Director or member of Management owns, directly or indirectly, as of the date hereof, and any Shares that he or she may subsequently acquire or own, directly or indirectly, during the restricted period of 12 months. The lock-up undertaking does not restrict the respective Director or member of Management's ability to transfer any of the Shares to any entity directly or indirectly controlled by him or her, provided that the transferee entity shall sign and deliver to the Joint Global Coordinators, prior to such transfer, a lock-up undertaking substantially in the form of this lock-up undertaking for a period covering the number of days from the date of such transfer to the end of the restricted period of 12 months.

17.19 Interest of natural and legal persons involved in the Offering

The Managers or their affiliates have provided from time to time, and may provide in the future, financial advisory, investment and commercial banking services, as well as financing, to the Company and its affiliates in the ordinary

course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a fee in connection with the Offering and, as such, have an interest in the Offering. See Section 17.17 "Expenses of the Offering and the Listing" for information on fees to the Managers in connection with the Offering.

BW Energy will receive the proceeds from the sale of the Offer Shares and from the sale of any Shares sold pursuant to the Greenshoe Option.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Offering.

17.20 Participation of major existing shareholders and members of the Management, supervisory and administrative bodies in the Offering

The Company is not aware of whether any major shareholders of the Company or members of the Company's Management, supervisory or administrative bodies intend to apply for Offer Shares in the Offering, or whether any person intends to apply for more than 5% of the Offer Shares.

17.21 Governing law and jurisdiction

This Prospectus, the Retail Application Form and the terms and conditions of the Offering shall be governed by and construed in accordance with Norwegian law. Any dispute arising out of, or in connection with, this Prospectus, the Retail Application Form or the Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with the Oslo District Court as the legal venue.

18 THE BW OFFSHORE DIVIDEND DISTRIBUTION

18.1 Overview

In order to facilitate the free float of Shares required for the Listing, BW Offshore will distribute a number of Shares in BW Energy as dividend in kind to its shareholders (the "**BW Offshore Dividend Distribution**"). BW Offshore will determine the amount of the dividend distribution and the number of Shares to be distributed (the "**Dividend Shares**") when the final Offer Price has been determined following the expiry of the bookbuilding period for the Offering. The value of the Dividend Shares, based on the final Offer Price, is expected to be approximately USD 100 million.

The number of Dividend Shares will be announced by the Company through the Oslo Stock Exchange's information system on or about 7 February 2020 under the ticker code "BWE" and by BW Offshore under the ticker code "BWO".

The Dividend Shares will be delivered through the VPS system to the VPS account on which the BW Offshore shares giving right to the Dividend Shares are registered, and it is expected that the Dividend Shares will be delivered on or about 12 February 2020.

It is expected that the last day the BW Offshore shares will trade inclusive the right to Dividend Shares will be the last day in the Application Period, expected to be on or around 7 February 2020. The BW Offshore shares from the first Oslo Stock Exchange trading day thereafter trade exclusive of the right to Dividend Shares.

Note that the Company, together with the Joint Global Coordinators, reserves the right to shorten or extend the Bookbuilding Period and/or the Application Period. In the event of a shortening or an extension of the Bookbuilding Period and/or the Application Period, the above dates may be changed accordingly. However, the Listing and commencement of trading in the Dividend Shares on the Oslo Stock Exchange may not necessarily be changed.

The BW Offshore Dividend Distribution is conditional upon satisfaction of the other conditions for completion of the Offering set out in Section 17.15.

18.2 The rights conferred by the Dividend Shares

The Dividend Shares are common Shares in the Company, each having a par value of USD 0.01. The Dividend Shares have been issued in accordance with the Bermuda Companies Act rank pari passu with all other Shares in issue in the Company and will be eligible for any dividend that the Company may declare in respect of the Shares after delivery of the Dividend Shares.

See Section 14.10 "Shareholder rights" and Section 14.11 "The Memorandum of Association, Bye-laws and Bermuda law" for more information on the rights conferred by the Shares.

18.3 Admission to trading of the Dividend Shares

It is expected that the first day of trading of the Shares (including the Dividend Shares) on the Oslo Stock Exchange will be on or about 11 February 2020.

19 SELLING AND TRANSFER RESTRICTIONS

19.1 General

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 Shares offered hereby.

Other than in Norway, the Company is not taking any action to permit a public offering of the Shares 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 Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares 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 Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

19.2 Selling restrictions

19.2.1 General

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside Norway and Bermuda and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and any other applicable securities laws. There can be no assurance that shareholders residing or domiciled in the United States or such other jurisdictions will be able to participate in future capital increases or rights offerings.

19.2.2 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the U.S. Securities Act; or (ii) outside the United States to certain persons transactions in compliance with Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than (i) within the United States to qualified institutional buyers ("**QIBs**") in accordance with Rule 144A or (ii) outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 19.2.2 "*United States*".

Any offer or sale in the United States will be made solely by affiliates of the Managers who are broker-dealers registered under the U.S. Exchange Act. Nordea will not participate in the solicitation, offer or sale of any Shares within or directed into the United States and will not be involved in any activities relating to the Shares within or directed into the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from the registration requirements of the U.S. Securities Act and in connection with any applicable state securities laws.

19.2.3 United Kingdom

Each Manager has represented, warranted and agreed that:

- a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") received by it in connection with the issue or sale of any Offer Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and
- b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

19.2.4 European Economic Area

In relation to each member state of the European Economic Area, other than Norway (each, a "**Relevant Member State**"), no Offer Shares have been offered or will be offered to the public in that Relevant Member State pursuant to the Offering, except that Offer Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under Regulation (EU) 2017/1129 (the EU Prospectus Regulation):

- a) to persons who are 'qualified investors' within the meaning of Article 2(e) the EU Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Managers for any such offer; or
- c) in any other circumstances falling under the scope of Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Offer Shares shall result in a requirement for the Company or any Manager to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offered Shares under, the Offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Company and the Managers that it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation.

The Company, the Managers and their respective affiliates and its and their respective directors, employees, agents, advisers, subsidiaries and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

19.3 Additional jurisdictions

The Offer Shares may not be offered, sold, exercised, pledged, resold, granted, allocated, taken up, transferred or delivered, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan or any other jurisdiction in which it would not be permissible to offer the Offer Shares.

19.4 Transfer restrictions

The Offer Shares 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 except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and, subject to certain exemptions, may not be offered or sold within the United States.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares, was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the account or benefit of any

person in the United States or entered into any arrangement for the transfer of the Offer Shares or any economic interest therein to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.
- If the purchaser is acquiring any of the Offer Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- Each purchaser of the Offer Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:
- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Offer Shares, as the case may be.
- The purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, or any economic interest therein, as the case may be, such Offer Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser will not deposit or cause to be deposited such Offer Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so

long as such Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

- The purchaser acknowledges that the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.
- The purchaser acknowledges that the Company shall not recognise any offer, sale pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.
- If the purchaser is acquiring any of the Offer Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Manager and the Company that:

- (i) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- (ii) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

20 ADDITIONAL INFORMATION

20.1 Independent auditor and advisors

The Company's independent auditor is KPMG AS with registration number 935 174 627 and registered address at Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS is a member of The Norwegian Institute of Public Accountants (*Nw.: Den norske Revisorforening*).

Advokatfirmaet Thommessen AS (Haakon VII's gate 10, N-0161 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

Conyers Dill & Pearman Limited (Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda) is acting as special Bermuda legal counsel to the Company.

Advokatfirmaet Schjødt AS (Ruseløkkveien 14, N-0251 Oslo, Norway) is acting as Norwegian legal counsel to the Managers.

20.2 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at 30 Pasir Panjang Road, #14-31/32 Mapletree Business City, Singapore 117440, 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 Company's Memorandum of Association and Bye-laws;
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in this Prospectus;
- The historical financial information of the Company and its subsidiary undertakings for each of the three years preceding the publication of this Prospectus; and
- This Prospectus.

The documents are also available at the Company's website www.bwenergy.no.

20.3 Competent person's reports

No material changes have occurred since the date of the competent person's reports pertaining to Dussafu, Maromba and Kudu, respectively, which are attached to this Prospectus.

The competent person's reports pertaining to Dussafu and Maromba (incorporated by reference hereto, see Section 20.4 "Incorporation by reference") have been prepared by Netherland, Sewell & Associates, Inc., business address Fulbright Tower, 1301 McKinney St., Suite 3200, Houston, Texas 77010, USA ("**NSAI**"). The persons responsible for the reports pertaining to Dussafu and Maromba have more than 14 years of experience in petroleum engineering studies and evaluations and geological and geographical studies and evaluations. The Dussafu and Maromba reports have been prepared in accordance with the Petroleum Resources Management System jointly published by the Society of Petroleum Engineers.

The competent person's report pertaining to Kudu (incorporated by reference hereto, see Section 20.4 "Incorporation by reference") has been prepared by ERC Equipoise Ltd, 6th Floor Stephenson House, 2 Cherry Orchard Road, Croydon, CR0 6BA, England ("**ERCE**"). ERCE has more than 5 years of professional experience in the estimation, assessment and evaluation of mineral resources. The Kudu report has been prepared in accordance with the South African Code for the reporting of oil and gas resources 2015 and uses the Society of Petroleum Engineers Petroleum Reserves and Resources Classification System and Definitions, Version 1.01, as revised in June 2018 and updated in November 2018 (PRMS), as the standard for resources classification.

Both competent persons are considered to fulfil the requirements set forth in Section 133 of the ESMA update of the CESR recommendations ("The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive"). None of the competent persons have any material interest in the Company. All competent person's reports have been attached to the Prospectus with the consent of the competent persons that prepared the reports.

20.4 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 as provided in this Section, no information is incorporated by reference in this Prospectus.

The Company incorporates by reference the statement of financial position of BW Energy Limited as of 30 September 2019, the Group's unaudited condensed combined interim financial information as at, and for the nine month periods ended, 30 September 2019 and 2018 (the Condensed Combined Interim Financial Information) and the BW Energy Group's audited combined financial statements as at, and for the years ended, 31 December 2018, 2017 and 2016 (the Combined Financial Statements), as well as the other documents set out below.

Section in the Prospectus	Disclosure requirement	Reference document and link	Page (p) in reference document
Combined Financial Statements for 2018 (with comparable figures for 2017 and 2016): https://bwenergy.no/investors.html			
Section 2.2, 4.2.1, 9, 10, 11 and 13	Annex 1, Section 18, Item 18.1.1	Financial statements:	p. 1-7
Section 10.2	Annex 1, Section 18, Item 18.1.1	Accounting policies and principles:	p. 9-20
Section 10.1 and 10.11	Annex 1, Section 18, Item 18.1.1	Auditor's report in relation to the Combined Financial Statements for the years ended 31 December 2018, 2017 and 2016:	p. 33-34
Condensed combined interim financial information for the nine month periods ended 30 September 2018 and 2019: https://bwenergy.no/investors.html			
Section 4.2.1, 9, 10 and 11	Annex 1, Section 18, Item 18.2.1	Financial information:	p. 1-5
Section 10.1 and 10.11	Annex 1, Section 18, Item 18.2.1	Auditor's limited review report in relation to the condensed combined interim financial information for the nine month periods ended 30 September 2018 and 2019:	p. 13
Statement of financial position of BW Energy Limited as of 30 September 2019: https://bwenergy.no/investors.html			
Section 4.2.1, 9 and 10	Annex 1, Section 18, Item 18.2.1	Financial statement:	p. 1
Section 10.1 and 10.11	Annex 1, Section 18, Item 18.2.1	Auditor's report in relation to the statement of financial position of BW Energy Limited as of 30 September 2019:	p. 4-5
Competent person's report pertaining to Dussafu as of 30 September 2019: https://bwenergy.no/assets/images/nsai-bw-energy-gabon-report-11-08-2019.pdf			
Section 20.3 and 8.6.5	Annex for mineral companies, Section 133	Report:	p. 1-86
Supplemental report to competent person's report pertaining to Dussafu as of 30 September 2019, dated 9 January 2020: https://bwenergy.no/assets/images/nsai-bw-energy-gabon-report-supplement-01-09-2020.pdf			
Section 20.3 and 8.6.5	Annex for mineral companies, Section 133	Supplemental report:	p. 1-12
Competent person's report pertaining to Maromba as of 31 December 2019: https://bwenergy.no/assets/images/nsai-bw-offshore-brasil-report-01-17-2020.pdf			

Section 20.3 and 8.6.6	Annex for mineral companies, Section 133	Report: p. 1-60
---------------------------	---	-----------------------

**Competent person's report pertaining to Kudu as of 1
January 2020:**

[https://bwenergy.no/assets/images/kudu-contingent-resources-
report_final_130120.pdf](https://bwenergy.no/assets/images/kudu-contingent-resources-report_final_130120.pdf)

Section 20.3 and 8.6.7	Annex for mineral companies, Section 133	Report: p. 1-64
---------------------------	---	-----------------------

21 DEFINITIONS AND GLOSSARY

21.1 Definitions

In the Prospectus, the following defined terms have the following meanings:

1983 Hydrocarbons Law.....	means law No. 14/82 of 24 January 1983 relating to the Exploration and Exploitation of Hydrocarbons in Gabon.
2010 PD Amending Directive	means directive 2010/73/EU amending the EU Prospectus Directive.
2014 Hydrocarbons Law.....	means law No. 011/2017 of 28 August 2014 relating to the Hydrocarbons Sector in Gabon.
Additional Shares.....	means shares sold pursuant to the over-allotment, equal to up to 15% of the final number of Offer Shares sold in the Offering.
ADI.....	means a direct unconstitutionality action in the Brazilian legal system.
Albian.....	means an age in the geologic timescale and a stage in the stratigraphic column lasting from approximately 113 to 100.5 million years ago.
ANAC	means the National Agency of Civil Aviation.
ANATEL	means the National Telecommunications Agency.
ANP	means Agência Nacional do Petróleo, Gás Natural e Biocombustíveis ('National Agency of Petroleum, Natural Gas and Biofuels') (Brazil).
Anti-Money Laundering Legislation	means the Norwegian Money Laundering Act of 6 March 2009 no. 11 and the Norwegian Money Laundering Regulations of 13 March 2009 no. 302, collectively.
APL.....	means Advanced Production & Loading.
APMs.....	means alternative performance measures. An APM is defined by ESMA guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the relevant accounting rules (IFRS).
Application Period	means application period for the retail Offering which will commence at 09:00 hours (CET) on 30 January 2020 and close at 12:00 hours (CET) on 7 February 2020 (subject to shortening and extension).
Appointed Stock Exchange	means an appointed stock exchange in accordance with the Bermuda Companies Act.
APT.....	means additional profit tax.
Aptian	means an age in the geologic timescale and a stage in the stratigraphic column lasting from approximately 125 to 113 million years ago.
Arnet.....	means Arnet Energy Pte Ltd.
Barremian.....	means an age in the geologic timescale lasting from approximately 129.4 to 125 million years ago.
bcf	means billion cubic feet.
bcm	means billion cubic metres.
Bergesen	means Bergesen d.y. ASA.
Bermuda Companies Act.....	means the Companies Act 1981, as amended, of Bermuda.
BI	means the Norwegian School of Management.
bo.....	means barrels of oil.
Board of Directors.....	means the board of directors of the Company.
boepd.....	means barrels of oil equivalents per day.
Bookbuilding Period.....	means the offer period for the Institutional Offering which will commence at 09:00 hours (CET) on 30 January 2020 and close at 14:00 hours (CET) on 7 February 2020 (subject to shortening and extensions).
bopd	means barrels of oil per day
Borrowing Option.....	means an option, on behalf of the Managers, to borrow a number of Shares equal to the number of Additional Shares in order to facilitate over-allotment.
BRL.....	means Brazilian Reals.
Bye-laws	means the Company's bye-laws to be adopted by the Company with effect from the listing of the Shares on the Oslo Stock Exchange.
BW Adolo.....	means the FPSO BW Adolo.
BWEH.....	means BW Energy Holdings Pte Ltd.
BW Energy.....	means the Company.
BW Energy Group	means a combination of the following entities collectively:

- BW Energy Dussafu B.V.
- BW Energy Gabon Pte Ltd
- BW Energy Gabon SA
- BW Energy Holdings Pte Ltd
- BW Kudu Holding Pte Ltd
- BW Kudu Limited
- BW Energy Maromba do Brasil Ltda
- BW Energy Limited (from 2019 only)
- BW Energy Maromba B.V. (from 2019 only)
- BW Maroma Holdings Pte Ltd (from 2019 only)

The Combined Financial Statements and the Condensed Combined Interim Financial Information are comprised of the financial statements of these entities for the relevant periods.

BW Group	means BW Group Limited.
BW Offshore.....	means BW Offshore Limited.
BW Offshore Group	means BW Offshore and its consolidated subsidiaries.
CAR	means Construction All Risk.
CEMAC	means the Central Africa Economic and Monetary Commission.
CEO	means chief executive officer.
CET.....	means Central European Time.
CFA.....	means Central Africa Franc.
CFC.....	means Controlled Foreign Corporations.
CFO	means Chief Financial Officer.
CIT	means Corporate income tax.
CNG	means compressed natural gas.
CNPE.....	means O Conselho Nacional de Política Energética (National Energy Policy Council) (Brazil).
Co-Managers.....	means Arctic Securities AS, Danske Bank, Norwegian Branch, Nordea Bank Abp, filial i Norge and Swedbank AB (publ), collectively.
Combined Financial Statements	means BW Energy Group's audited combined financial statements as at, and for the years ended, 31 December 2018, 2017 and 2016.
Company	means BW Energy Limited.
Condensed Combined Interim Financial Information.....	means the Group's unaudited condensed combined interim financial information as at, and for the nine month periods ended, 30 September 2019 and 2018.
CONFAZ	means the Brazilian National Council of Fiscal Policy.
COO	means Chief Operating Officer.
Corporate Governance Code.....	means the Norwegian Code of Practice for Corporate Governance, dated 17 October 2018.
CREA.....	means the Regional Council of Engineering and Agronomy.
DEA	means the Department of Environmental Affairs.
Decree	means the Brazilian Federal Decree 9,355/2018.
Den norske Revisorforening	means the Norwegian Institute of Public Accountants.
Directors	means the members of the Board of Directors.
DGH.....	means Direction Générale des Hydrocarbures.
DNB	means DNB Bank ASA.
DNB Markets	means a part of DNB.
D&O	means Directors and Officers.
DPA	means the Directorate of Petroleum Affairs.
Dussafu	means the Dussafu block of oil fields located in the territorial waters of Gabon.
Dussafu licence	means the Gabonese Dussafu EEA licence pertaining to Dussafu. References to the Dussafu licence may, if the context requires, also include a reference to the Dussafu PSC.
Dussafu PSC	means the production sharing contract pertaining to the Dussafu licence.
Dussafu Report.....	means the competent person's report pertaining to Dussafu dated 8 November 2019 prepared by NSAI.
Dussafu Report Addendum.....	means the Addendum to the Dussafu Report dated 9 January 2020 prepared by NSAI.
ECC	means Environmental Clearance Certificate

ECOFIN	means the European Union Economic and Financial Affairs Council.
EEA.....	means the European Economic Area.
Environmental Code	means law 02/2014 on protection of environment being one of the main environmental laws in Gabon.
Eocene	means an age in the geologic timescale lasting from approximately 56 to 33.9 million years ago.
ERP	means enterprise resource planning.
ESMA	means the European Securities and Markets Authority.
ESP.....	means electric submersible pumps.
EU	means the European Union.
EU Prospectus Regulation	means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, and amendments thereto.
EUR	means the lawful common currency of the EU member states who have adopted the Euro as their sole national currency.
E&P.....	means Exploration and Production.
Financial Information	means the Combined Financial Statements and the Condensed Combined Interim Financial Information.
FLNG.....	means Floating LNG.
FPS	means floating production system.
FPSO.....	means floating production, storage and offloading unit.
FSMA	means the Financial Services and Markets Act 2000.
FSO	means floating storage and offloading.
GBP	means Great British Pound, the lawful currency of the United Kingdom.
GDP	means gross domestic product.
General Meeting	means the Company's general meeting of Shareholders.
GLEIF	means the Global Legal Identifier Foundation.
GOC.....	means Gabon Oil Company.
GOR.....	means Gas-Oil Ration.
Greenshoe Option	means an option to purchase a number of new Shares equal to the number of Additional Shares at a price per Share equal to the Offer Price.
Group.....	means the Company and its consolidated subsidiaries.
GSA	means Gas Sales Agreement.
GTP.....	means gas-to-power.
Harvest	means Harvest Dussafu BV.
HSE	means health, safety and environment.
IAS 34.....	means International Accounting Standard 34 "Interim Financial Reporting".
IBAMA.....	means Federal Environmental Protection Agency (Brazil).
ICE	means the Intercontinental Exchange in London.
IFRS	means the International Financial Reporting Standards as adopted by the EU.
IMF	means the International Monetary Fund.
IMO	means the International Maritime Organisation.
Income Tax Act	means the Income Tax Act No. 24 of 1981.
Indicative Price Range	means the indicative price range in the Offering of NOK 34.20 to NOK 36.60 per Offer Share.
Institutional Closing Date.....	means the date for delivery and payment for Offer Shares.
Institutional Offering	means an institutional offering, in which Offer Securities are being offered (a) to investors in Norway, (b) investors outside Norway and the United States, subject to applicable exemptions from the prospectus requirements, and (c) in the United States to QIBs in transactions exempt from registration requirements under the U.S. Securities Act; subject to a lower limit per application of NOK 2,000,000.
INMETRO	means the Brazilian Institute of Metrology, the Standardization and Industrial Quality agency.
Interested Party	means any person the Board of Directors has reasonable cause to believe, as determined in the Board's sole discretion, to be interested in Shares.
IT	means information technology.
Joint Global Coordinators	means DNB and Pareto jointly.
KPMG	means the Company's independent auditor.

Kudu	means the Kudu block located in the territorial waters of Namibia.
Kudu licence	means Namibian licence PL-003 pertaining to Kudu.
LEI.....	means legal entity identifier.
Listing	means the listing of the Company's Shares on the Oslo Stock Exchange.
LOPI.....	means loss of production.
LOUs	means local operating units.
Magma	means Magma Oil & Gas Ltda.
Management	means the senior management of the Group.
Managers.....	means the Joint Global Coordinators and the Co-Managers, collectively.
Maple	means Maple Company Ltd.
Market Abuse Regulation or MAR	means the Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse.
Maromba	means the Maromba block of oil fields located in the territorial waters of Brazil, and may, depending on the context, refer to the Maromba licence.
Maromba licence.....	means the Brazilian BC-20A pertaining to Maromba.
Maastrichtian	means an age in the geologic timescale and a stage in the stratigraphic column lasting from approximately 72.1 to 66 million years ago.
MAWF.....	means the Namibian Ministry of Agriculture, Water and Forestry.
Memorandum of Association.....	means the Company's memorandum of association.
MET	means the Namibian Ministry of Environment and Tourism.
MiFID II.....	means EU Directive 2014/65/EU on markets in financial instruments.
MiFID II Product Governance Requirements.....	means MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures.
mmbo	means million barrels of oil.
mmboe.....	means million barrels of oil equivalent.
MME.....	means the Namibian Minister of Mines and Energy.
MTE	means the Ministry of Labour and Employment.
NAD	means Namibian dollars.
NAMCOR.....	means the National Petroleum Corporation of Namibia.
NBP	means National Balancing Point.
NCI	means National Client Identifier.
NHH	means the Norwegian School of Economics.
NOK	means Norwegian Kroner, the lawful currency of Norway.
Norges Bank	means the Central Bank of Norway.
Norwegian Act on Overdue Payment	means the Norwegian Act on Overdue Payment of 17 December 1976 no. 100 (<i>Nw.: forsinkelsesrenteloven</i>).
Norwegian CFC-regulations	means the Norwegian Controlled Foreign Corporations regulations.
Norwegian Corporate Shareholders	means Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes.
NFSA.....	means the Financial Supervisory Authority of Norway (<i>Nw.: Finanstilsynet</i>).
Non-Norwegian Corporate Shareholders	means Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Non-Norwegian Personal Shareholders..	means Shareholders who are individuals not resident in Norway for tax purposes.
Norwegian Personal Shareholders	means Shareholders who are individuals resident in Norway for tax purposes.
Norwegian Securities Trading Act.....	means the Norwegian Securities Trading Act of 29 June 2007 no. 75 (<i>Nw.: verdipapirhandelloven</i>).
NR	means the Brazilian Normative Ruling No. 1,781/2017
NRST	means non-resident shareholders' tax.
NSAI	means Netherland, Sewell & Associates, Inc.
NTNU/NTH	means the Norwegian University of Science and Technology.
NYMEX	means the New York Mercantile Exchange.
Order	means the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.
Offering	means the initial public offering of the Shares.

Offer Exchange Rate	means NOK/USD exchange rate of 9.1557 set by the Central Bank of Norway on 28 January 2020.
Offer Price	means the final offering price for the Offer Shares in the Offering. The Offer Price may be set within, below or above the Indicative Price Range.
Offer Shares.....	means any new Shares sold in the Offering and any Additional Shares – the Shares offered pursuant to the Offering.
OPEC.....	means the Organisation of the Petroleum Exporting Countries.
Oslo Stock Exchange	means Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Panoro	means Panoro Energy ASA.
Pareto	means Pareto Securities AS.
Payment Date	means the payment date for the Offer Securities under the Retail Offering, expected to be on or about 12 February 2020.
Petroleum Law	means the Brazilian Federal Law No. 9,478/1997.
Petroleum Regulations.....	means the Namibian 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.
PIT.....	means Petroleum Income tax.
PL001, PL002, PL003.....	means production licences.
Placement Agreement	means agreement between the Company, BW Offshore Limited and the Managers with respect to the Offering of the Offer Shares.
PPSA	means Empresa Brasileira de Administração de Petróleo e Gás Natural SA – Pré-sal Petróleo S.A.
Pre-Salt Law	means Brazilian Law No. 12,351/2010.
Ports and Coasts Agency.....	means the Navy and DPC.
PRMS	means SPE's Petroleum Resources Management System.
Prospectus	means this Prospectus, dated 29 January 2020.
PSC.....	means Production Sharing Contract.
PT	means the Brazilian Workers' party.
PTA.....	means the Petroleum (Taxation) Act, 3 of 1991 (Namibia).
QIBs	means qualified institutional buyers as defined in Rule 144A.
RBL.....	means the Group's the reserve-based loan arrangement.
Registrar Agreement	means the registrar agreement entered into between the Company and the VPS Registrar for the registration of the Shares in book-entry form in the VPS.
Regulation S	means Regulation S under the U.S. Securities Act.
Relevant Member State	means Each Member State of the EEA, other than Norway, which has implemented the EU Prospectus Regulation.
Relevant Persons	Persons in the UK that are (i) investment professionals falling within Article 19(5) of the Order or (ii) high net worth entities, and other persons to whom the Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.
Reorganisation	has the meaning set out in Section 13.6.5.
Retail Application Form	means the application form to be used to apply for Offer Shares in the Retail Offering, attached to this Prospectus as <u>Appendix B</u> .
Retail Offering	means a retail offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application of an amount of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each investor.
Ruche EEA	means Ruche Autorisation Exclusive d'Exploitation, which is the Dussafu production licence.
Rule 144A.....	means Rule 144A under the U.S. Securities Act.
scf	means standard cubic feet.
SGD	means Singapore Dollars, the lawful currency of Singapore.
Share(s)	means the common shares of par value USD 0.01 each of the Company.
Shareholders.....	means registered holders of Shares.
SPE.....	means the society of Petroleum Engineers.
SPP.....	means Seabord Production Partners, LLC.
Stabilisation Manager	means Pareto.
Stabilisation Period	means a period of 30 calendar days from the first day of Listing (expected to be 11 February).

State Profit Oil.....	has the meaning set out in Section 11.2.
Target Market Assessment	means the assessment of the Negative Target Market and the Positive Target Market, collectively.
TPL	means Third Party Liability.
Tullow Oil	means Tullow Oil plc.
UK	means the United Kingdom.
U.S. or United States	means the United States of America.
USD	means United States Dollars, the lawful currency in the United States.
U.S. Exchange Act	means the U.S. Securities Exchange Act of 1934, as amended.
U.S. Securities Act	means the U.S. Securities Act of 1933, as amended.
Vendors.....	means BW Offshore Singapore Pte. Ltd., Maple Co and Arnet Energy Pte. Ltd., collectively.
VPS.....	means the Norwegian Central Securities Depository (<i>Nw.: Verdipapirsentralen</i>).
VPS account.....	means an account with VPS for the registration of holdings of securities.
VPS Registrar	means DNB.
WHT.....	means withholding tax.
World-Wide Shipping.....	means World-Wide Shipping Steamship Company Limited.

21.2 Explanation of technical terms

Throughout this Prospectus, the Group's reserves and resources are classified using the following market-standard terms for measuring hydrocarbon reserves and resources:

Proven reserves (1P)

Proven reserves 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 (SPE PRMS). Proved reserves have a 90% or higher likelihood of commercial extraction.

Probable reserves (2P)

Probable reserves are those additional reserves that 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)

Possible reserves oil reserves are the total amount of reserves that a company estimates having access to, calculated as the sum of all proved and unproved reserves. Possible reserves have a 10% likelihood of actually being produced.

Contingent resources (C)

Contingent resources 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 licence may have different estimates of contingent resources.

Prospective resources

Prospective resources are quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. There is no certainty that any hydrocarbons will be discovered when exploration wells are drilled. Furthermore, should any hydrocarbons be discovered there is no assurance that it is commercially viable to produce any portion of these resources. Other partners involved in any given exploration licence may have different estimates of prospective resources.

APPENDIX A:
BYE-LAWS OF BW ENERGY LIMITED

BYE-LAWS

of

BW Energy Limited

(as approved by the members of the Company on 26 January 2020)

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 and Classes 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. 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[]

[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. In their absence, a chairman of the meeting 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[]

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 and Classes 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 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, 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.

38.6 The Directors shall be divided into two classes designated Class I and Class II. Each class of Directors shall consist, as nearly as possible, of half of the total number of Directors constituting the entire Board.

39. Term of Office of Directors

At the general meeting at which these Bye-laws are adopted, the Class I Directors shall be elected for a two year term of office and the Class II Directors shall be elected for a one year term of office. At each succeeding annual general meeting, successors to the class of Directors whose term expires at that annual general meeting shall be elected for a two year term. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, and any Director of any class elected to fill a vacancy shall hold office for a term that shall coincide with the remaining term of the other Directors of that class, but in no case shall a decrease in the number of Directors shorten the term of any Director then in office. A Director shall hold office until the annual general meeting for the year in which his term expires, subject to his office being vacated pursuant to Bye-law 42.

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 31st 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 B:
APPLICATION FORM FOR THE RETAIL OFFERING

RETAIL OFFERING – APPLICATION FORM

BW Energy Limited
ISIN: BMG0702P1086 | LEI: 5493004D19CJBN3DL40

General information: The terms and conditions of the Retail Offering are set out in the prospectus dated 29 January 2020 (the "**Prospectus**"), which has been issued by BW Energy Limited (the "**Company**") in connection with the initial public offering (the "**Offering**") of new shares with a par value of USD 0.01 (the "**Offer Shares**") in the Company and the listing of the Company's shares on the Oslo Stock Exchange. All capitalised terms not defined herein shall have the meaning as assigned to them in the Prospectus.

Application procedures: Norwegian applicants in the Retail Offering who are residents of Norway with a Norwegian personal identification number may apply for Offer Shares through the VPS online application system by following the link to such online application system on the following websites: www.paretosec.com/transactions or www.dnb.no/emisjon. Applications in the Retail Offering can also be made by using this retail application form (the "**Retail Application Form**"). Retail Application Forms must be correctly completed and submitted by the expiry of the Application Period to one of the following application offices (the "**Application Offices**"):

DNB Markets Registrars Department

Dronning Eufemias gate 30
P.o. Box 1600 Sentrum
N-0021 Oslo
Norway
Tel: +47 23 26 80 20
Email: retail@dnb.no

Pareto Securities AS

Dronning Mauds gate 3
P.o. Box 1411 Vika
N-0115 Oslo
Norway
Tel: +47 22 87 87 00
Email: subscription@paretosec.com

The applicant is responsible for the correctness of the information filled in on this Retail Application Form. Retail Application Forms that are incomplete or incorrectly completed, electronically or physically, or that are received after the expiry of the Application Period, and any application that may be unlawful, may be disregarded without further notice to the applicant. **Subject to any shortening or extension of the Application Period, applications made through the VPS online application system must be duly registered by 12:00 hours (CET) on 7 February 2020, while applications made on Retail Application Forms must be received by one of the application offices by the same time.** None of the Company or any of the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by any of the application offices. All applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed Retail Application Form, or in the case of applications through the VPS online application system, upon registration of the application, irrespective of any shortening or extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office, or in the case of applications through the VPS online subscription system, upon registration of the application.

Price of Offer Shares: The Company has, in consultation with the Joint Global Coordinators, set an Indicative Price Range for the Offering from NOK 34.20 to NOK 36.60 per Offer Share. The Company will, in consultation with the Joint Global Coordinators, determine the final number of Offer Shares and the final Offer Price on the basis of the applications received and not withdrawn in the Institutional Offering during the Bookbuilding Period and the number of applications received in the Retail Offering. The Offer Price will be determined on or about 7 February 2020 and announced through the Oslo Stock Exchange's information system on or about the same date under the ticker code "BWE". The Indicative Price Range is non-binding and the Offer Price may be set within, below or above the Indicative Price Range. Each applicant in the Retail Offering will be permitted, but not required, to indicate when ordering through the VPS online application system or on the Retail Application Form that the applicant does not wish to be allocated Offer Shares should the Offer Price be set higher than the highest price in the Indicative Price Range (i.e. higher than NOK 36.60 per Offer Share). If the applicant does so, the applicant will not be allocated any Offer Shares in the event that the Offer Price is set higher than the highest price in the Indicative Price Range. If the applicant does not expressly stipulate such reservation when ordering through the VPS online application system or on the Retail Application Form, the application will be binding regardless of whether the Offer Price is set within or above (or below) the Indicative Price Range.

Allocation, payment and delivery of Offer Shares: In the Retail Offering, no allocations will be made for a number of Offer Shares representing an aggregate value of less than NOK 10,500 per applicant provided, however, that all allocations will be rounded down to the nearest number of whole Offer Shares and the payable amount will hence be adjusted accordingly. One or multiple orders from the same applicant in the Retail Offering with a total application amount in excess of NOK 1,999,999 will be adjusted downwards to an application amount of NOK 1,999,999. Pareto, acting as settlement agent for the Retail Offering, expects to issue notifications of allocation of Offer Shares in the Retail Offering on or about 10 February 2020, by issuing allocation notes to the applicants by mail or otherwise. Any applicant wishing to know the precise number of Offer Shares allocated to it may contact one of the application offices listed above from on or about 10 February 2020 during business hours. Applicants who have access to investor services through an institution that operates the applicant's account with the VPS for the registration of holdings of securities ("**VPS account**") should be able to see how many Offer Shares they have been allocated from on or about 10 February 2020. In registering an application through the VPS online application system or by completing a Retail Application Form, each applicant in the Retail Offering will grant Pareto (on behalf of the Managers) an irrevocable authorisation to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's bank account number must be stipulated on the VPS online application or on the Retail Application Form. Accounts will be debited on or about 11 February 2020 (the "**Payment Date**"), and there must be sufficient funds in the stated bank account from and including 10 February 2020. Applicants who do not have a Norwegian bank account must ensure that payment for the allocated Offer Shares is made on or before the Payment Date. Further details and instructions will be set out in the allocation notes to the applicant to be issued on or about 10 February 2020, or can be obtained by contacting one of the Joint Global Coordinators. Pareto (on behalf of the Managers) reserves the right (but has no obligation) to make up to three debit attempts to and including 25 February 2020 if there are insufficient funds on the account on the Payment Date. Should any applicant have insufficient funds on its account, or should payment be delayed for any reason, or if it is not possible to debit the account, overdue interest will accrue and other terms will apply as set out under the heading "Overdue and missing payment" below. Subject to timely payment by the applicant, delivery of the Offer Shares allocated in the Retail Offering is expected to take place on or about 12 February 2020 (or such later date upon the successful debit of the relevant account).

Guidelines for the applicant: Please refer to the second page of this Retail Application Form for further application guidelines.

DETAILS OF THE APPLICATION

Applicant's VPS account (12 digits):

I/we apply for Offer Shares for a total of NOK (minimum NOK 10,500 and maximum NOK 1,999,999):

Applicant's bank account to be debited (11 digits):
(Norwegian bank account no)

OFFER PRICE: My/our application is conditional upon the final Offer Price not being set above the Indicative Price Range of NOK 34.20 to NOK 36.60 (insert cross to the right) (only to be completed if the application is conditional upon the final Offer Price not being set above the Indicative Price Range):



I/we hereby irrevocably (i) apply for the number of Offer Shares allocated to me/us, at the Offer Price, up to the aggregate application amount as specified above subject to the terms and conditions set out in this Retail Application Form and in the Prospectus, (ii) authorise and instruct each of the Joint Global Coordinators (or someone appointed by any of them) acting jointly or severally to take all actions required to purchase and/or subscribe the Offer Shares allocated to me/us on my/our behalf, to take all other actions deemed required by them to give effect to the transactions contemplated by this Retail Application Form, and to ensure delivery of such Offer Shares to me/us in the VPS, (iii) authorise Pareto to debit my/our bank account as set out in this Retail Application Form for the amount payable for the Offer Shares allocated to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Offer Shares and that I/we are eligible to apply for and purchase Offer Shares under the terms set forth therein.

Date and place*:

Binding signature:**

* Must be dated during the Application Period.

** The applicant must be of legal age and have legal capacity. If the Retail Application Form is signed by proxy, documentary evidence of authority to sign must be attached in the form of a power of attorney or company registration certificate.

DETAILS OF THE APPLICANT – ALL FIELDS MUST BE COMPLETED

First name	Surname/Family name/Company name
Home address (for companies, registered business address)	Zip code and town
Identity number (11 digits) / Business registration number (9 digits)	Nationality
Telephone number (daytime)	Email address
LEI code	

Please note: If the application form is sent to the Managers by e-mail, the e-mail will be unsecured unless the applicant itself takes measures to secure it. The application form may contain sensitive information, including national identification numbers, and the Managers recommend the applicant to send the application form to the Managers in a secured e-mail. Please refer to the next page for further information on the Managers' processing of personal data.

GUIDELINES FOR THE APPLICANT
THIS RETAIL APPLICATION FORM IS NOT FOR DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA AND THE DISTRICT OF COLUMBIA), AUSTRALIA, CANADA, THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA OR JAPAN, OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE "SELLING RESTRICTIONS" BELOW.
Regulatory issues: Legislation passed throughout the European Economic Area (the "EEA") pursuant to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID II") implemented in the Norwegian Securities Trading Act, imposes requirements on intermediaries in securities markets. In this respect, the Managers must categorise all new clients in one of three categories: Eligible counterparties, Professional clients and Non-professional clients. All applicants applying for Offer Shares in the Offering who/which are not existing clients of one of the Managers will be categorised as Non-professional clients. The applicant can by written request to the Managers ask to be categorised as a Professional client if the applicant fulfils the provisions of the Norwegian Securities Trading Act and ancillary regulations. For further information about the categorisation, the applicant may contact one of the Managers. The applicant represents that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision to invest in the Company by applying for Offer Shares, and the applicant is able to bear the economic risk, and to withstand a complete loss of an investment in the Company.
Execution only: As the Managers are not in the position to determine whether the application for Offer Shares is suitable for the applicant, the Managers will treat the application as an execution only instruction from the applicant to apply for Offer Shares in the Offering. Hence, the applicant will not benefit from the corresponding protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.
Information Exchange: The applicant acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Financial Undertakings Act and foreign legislation applicable to the Managers there is a duty of secrecy between the different units of the Managers as well as between the Managers and the other entities in the Managers' respective groups. This may entail that other employees of the Managers or the Managers' respective groups may have information that may be relevant to the applicant, but which the Managers will not have access to in their capacity as Managers for the Retail Offering.
Information barriers: The Managers are securities firms offering a broad range of investment services. In order to ensure that assignments undertaken in the Managers' corporate finance departments are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from their corporate finance departments by information barriers known as "Chinese walls". The applicant acknowledges that the Managers' analysis and stock broking activity may act in conflict with the applicant's interests with regard to transactions in the Offer Shares as a consequence of such Chinese walls.
VPS account and anti-money laundering procedures: The Retail Offering is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324 (collectively, the " Anti-Money Laundering Legislation "). Applicants who are not registered as existing customers of one of the Managers must verify their identity to one of the Managers in accordance with requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have designated an existing Norwegian bank account and an existing VPS account on the Retail Application Form are exempted, unless verification of identity is requested by a Manager. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period will not be allocated Offer Shares. Participation in the Retail Offering is conditional upon the applicant holding a VPS account. The VPS account number must be stated in the Retail Application Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti-Money Laundering Legislation. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance.
Selling restrictions: The Offering is subject to specific legal or regulatory restrictions in certain jurisdictions, see Section 19 "Selling and Transfer Restrictions" in the Prospectus. Neither the Company nor the Managers assume any responsibility in the event there is a violation by any person of such restrictions. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the " U.S. Securities Act ") or under any securities laws of any state or other jurisdiction of the United States and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or from the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no public offer in the United States. The Offer Shares will, and may, not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or from any jurisdiction where the offer or sale of the Offer Shares is not permitted, or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any jurisdiction where the offer or sale is not permitted, except pursuant to an applicable exemption. In the Retail Offering, the Offer Shares are being offered and sold to certain persons outside the United States in offshore transactions within the meaning of and in compliance with Rule 903 of Regulation S under the U.S. Securities Act. An application for Offer Shares in contravention of the above restrictions may be deemed to be invalid. By applying for the Offer Shares, persons effecting applications will be deemed to have represented to the Company and the Managers that they, and the persons on whose behalf they are subscribing for the Offer Shares, have complied with the above selling restrictions.
The Company has not authorised any offer to the public of its securities in any Member State of the EEA other than Norway. With respect to each Member State of the EEA other than Norway which has implemented the EU Prospectus Regulation (each, a " Relevant Member State "), no action has been undertaken or will be undertaken to make an offer to the public of the Offer Shares requiring a publication of a prospectus in any Relevant Member State. Any offers outside Norway will only be made in circumstances where there is no obligation to produce a prospectus.
Stabilisation: In connection with the Offering, Pareto (the " Stabilisation Manager "), or its agents, on behalf of the Joint Global Coordinators, may, upon exercise of the Borrowing Option, from the first day of the Listing engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days from the first day of the Listing. Specifically, the Stabilisation Manager may effect transactions with a view to supporting the market price of the Shares at a level higher than might otherwise prevail, through buying Shares in the open market at prices equal to or lower than the Offer Price. There is no obligation on the Stabilisation Manager and its agents to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilisation activities, if commenced, may be discontinued at any time, and will be brought to an end at the latest 30 calendar days after the first day of the Listing.
Personal data: The applicant confirms that it has been provided information regarding the Managers' processing of personal data, and that it is informed that the Managers will process the applicant's personal data in order to manage and carry out the Offering and the application from the applicant, and to comply with statutory requirements. The data controllers who are responsible for the processing of personal data are the Managers. The processing of personal data is necessary in order to fulfil the application and to meet legal obligations. The Norwegian Securities Trading Act and the Norwegian Money Laundering Act require that the Managers process and store information about clients and trades, and control and document activities. The applicant's data will be processed confidentially, but if it is necessary in relation to the aforementioned purposes or obligations, the personal data may be shared between the Managers, with the company(ies) participating in the Offering, with companies within the Managers' groups, VPS, stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. If the Managers transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses. As a data subject, the applicants have several legal rights. This includes i.e. the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the applicants will have the right to impose restrictions on the processing or demand that the information is deleted. The applicants may also complain to a supervisory authority if they find that the Managers' processing is in breach of the applicable laws. Supplementary information on processing of personal data and the applicants' rights can be found at the Managers' websites.
Investment decisions based on full Prospectus: Investors must neither accept any offer for, nor acquire any Offer Shares, on any other basis than on the complete Prospectus.
Terms and conditions for payment by direct debiting - securities trading: Payment by direct debiting is a service provided by cooperating banks in Norway. In the relationship between the payer and the payer's bank the following standard terms and conditions apply:
<ol style="list-style-type: none"> 1. The service "Payment by direct debiting — securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions. 2. Costs related to the use of "Payment by direct debiting — securities trading" appear from the bank's prevailing price list, account information and/or information is given by other appropriate manner. The bank will charge the indicated account for incurred costs. 3. The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer's bank account. 4. In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Financial Contracts Act, the payer's bank shall assist if payer withdraws a payment instruction which has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary. 5. The payer cannot authorise for payment a higher amount than the funds available at the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall be covered by the payer immediately. 6. The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery. 7. If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Financial Contracts Act.
Overdue and missing payments: Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976 no. 100, which at the date of the Prospectus is 9.5% per annum. Should payment not be made when due, the Offer Shares allocated will not be delivered to the applicant, and the Joint Global Coordinators reserve the right, at the risk and cost of the applicant, to cancel at any time thereafter the application and to re-allot or, from the third day after the Payment Date, otherwise dispose of or assume ownership to the allocated Offer Shares, on such terms and in such manner as the Joint Global Coordinators may decide (and the applicant will not be entitled to any profit therefrom). The original applicant will remain liable for payment of the Offer Price for the Offer Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company, the Selling Shareholder and/or the Joint Global Coordinators may enforce payment of any such amount outstanding.



BW Energy Limited

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

JOINT GLOBAL COORDINATORS

DNB Markets
a part of DNB Bank ASA
Dronning Eufemias gate 30
0191 Oslo
Norway

Pareto Securities AS
Dronning Mauds gate 3
N-0250 Oslo
Norway

CO-MANAGERS

Arctic Securities AS
Haakon VIIs gate 5
0161 Oslo
Norway

Danske Bank
Norwegian Branch
Bryggetorget 4
0250 Oslo
Norway

Nordea Bank Abp,
filial i Norge
Essendrops gate 7
0368 Oslo
Norway

Swedbank AB (publ)
Filipstad Brygge 1
0252 Oslo
Norway

Legal advisers to the Company

(as to Norwegian law)

Advokatfirmaet Thommessen AS
Haakon VIIs gate 10
N-0161 Oslo
Norway

(as to Bermuda law)

Conyers Dill & Pearman Limited
Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

Legal adviser to the Managers

Advokatfirmaet Schjødt AS
Ruseløkkveien 14-16
N-0251 Oslo
Norway