



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2020

4 CORPORATE STATEMENTS 2020

4.3.35 EVENTS AFTER END OF REPORTING PERIOD

DIVIDEND

The Company's dividend policy is to maintain a stable dividend, which grows over time. Determination of the dividend is based on the Company's assessment of its underlying cash flow position. As part of the Company's regular planning process, following review of its cash flow position and forecast, the Company has concluded that the outlook for cash flow generation has improved given the increase in the quantum of the Lease and Operate backlog. Based on this, a dividend of US\$165 million (which equals to US\$0.89 per share, based on the number of shares outstanding less the number of treasury shares held at December 31, 2020), to be paid out of retained earnings, will be proposed at the Annual General Meeting on April 7, 2021. This represents an increase of 10% compared to the dividend paid in 2020.

RCF EXTENSION OPTION EXERCISED BY THE COMPANY

On February 1, 2021, the lenders in the Company's US\$1 billion Revolving Credit Facility (RCF) agreed to the Company's request to exercise the second one-year extension. The final maturity date of the RCF is thereby extended from February 12, 2025 to February 13, 2026. The Company does not have any other extension option remaining.

SBM OFFSHORE PRICES US\$850 MILLION SENIOR SECURED NOTES TRANSACTION

The Company announced on February 9, 2021 the successful pricing of an US\$850 million non-recourse senior secured notes transaction in a 144A/Reg S offering by a subsidiary company. The issuer of the notes is Guara Norte S.à r.l. (Guara Norte), which owns the *FPSO Cidade de Ilhabela*. SBM Offshore owns 75% of the equity in Guara Norte and the remaining 25% equity is held by Mitsubishi Corporation. The transaction is expected to close on February 11, 2021 at which date the notes will be issued and settlement will occur. The notes are rated Ba1 (Moody's) and BB+ (Fitch) and were priced at 99.995% of par value with a 5.198% fixed coupon which is paid semi-annually. The notes are fully amortizing over the 13.5 years tenor. The notes will trade at the Singapore Stock Exchange. This is SBM Offshore's first issuance of a 144A/Reg S bond and as such this offering further diversifies its sourcing for project debt.