



MODEC, Inc.
2021 Half-Year
Financial Results
Analysts Presentation

August 4, 2021





Highlight

Market View & Outlook

Financial Results

FY2021 Half-Year : Highlights



- Awarded EPCI contract for Equinor Bacalhau FPSO
- Revenue is JPY 228.1 billion
- Net profit is JPY 1.3 billion

Equinor Bacalhau FPSO

| | |
|------------------|------------------------------------|
| Client | Equinor |
| Contract | Sales and Purchase Agreement |
| Field Location | Bacalhau Field (ex Carcara Brazil) |
| Water Depth | 2,027m |
| Oil Production | 220,000 bopd |
| Gas Production | 500 mmscfd |
| Storage Capacity | 2,000,000 bbls |

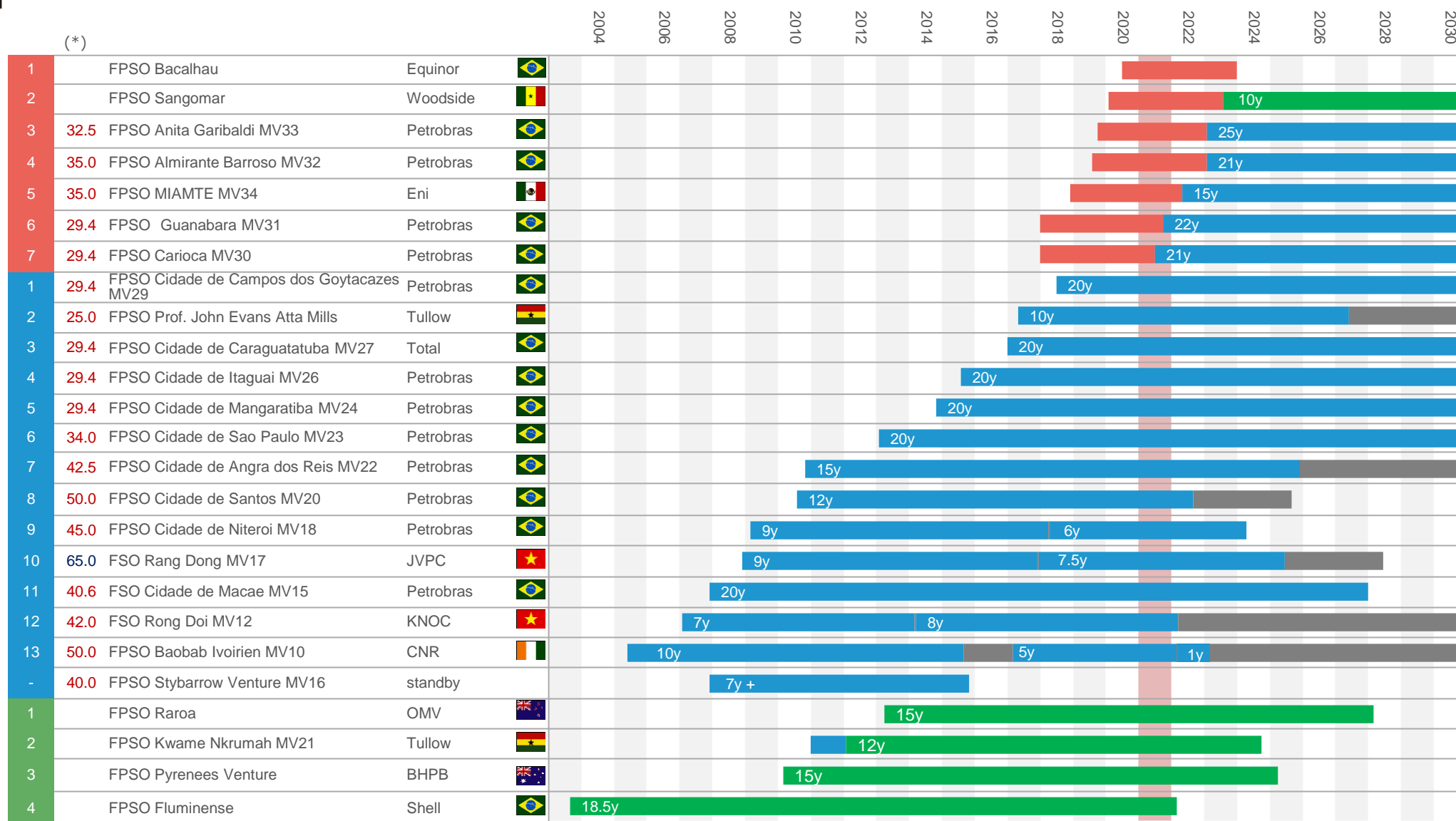
FY2021 Half-Year : EPC(I) (as of June 2021)

| | FPSO Carioca MV30 | FPSO Guanabara MV31 | FPSO MIAMTE MV34 | FPSO Almirante Barroso MV32 | FPSO Anita Garibaldi MV33 | FPSO Sangomar | FPSO Bacalhau |
|---------------------|--|--|---|--|---|--|--|
| Client | Petrobras | Petrobras | Eni Mexico | Petrobras | Petrobras | Woodside | Equinor |
| Contract | EPCI + Time Charter (21 yrs) | EPCI + Time Charter (22 yrs) | EPCI + Time Charter (15 yrs + 5 one-year extension options) | EPCI + Time Charter (21 yrs) | EPCI + Time Charter (25 yrs) | Purchase Contract (10 yrs + 10 one-year extension options) | EPCI + Short term O&M |
| Delivery (Planned) | 2021 | 2021 | 2022 | 2023 | 2023 | 2023 | 2024 |
| Field | Sépia | Mero | Area 1 Block | Búzios | Marlim | Sangomar | Bacalhau |
| Location | Brazil | Brazil | Mexico | Brazil | Brazil | Senegal | Brazil |
| Water Depth | 2,200 m | 2,100 m | 32 m | 1,900 m | 670 m | 780 m | 2027 m |
| Storage/ Production | 1,400,000 bbls 180,000 bopd 212 mmscfd | 1,400,000 bbls 180,000 bopd 424 mmscfd | 700,000 bbls 90,000 bopd 75 mmscfd | 1,400,000 bbls 150,000 bopd 212 mmscfd | 1,000,000 bbls 80,000 bopd 248 mmscfd | 1,300,000 bbls 100,000 bopd 130 mmscfd | 2,000,000 bbls 220,000 bopd 500 mmscfd |
| | | | | | | | |

EPC(I) / Charter / O&M Period

As of July 2021

- EPC(I) period
- Time Charter fixed period
- Time Charter option period
- O&M period



(*) Owned by MODEC group companies (%)
 Affiliates accounted for by the equity method
 Consolidated subsidiary



Highlight

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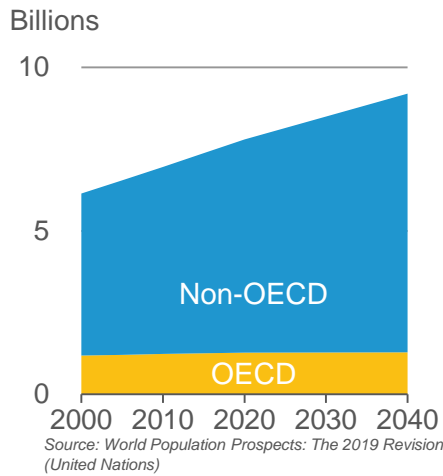
Financial Results

FPSO/FSO & TLP Market Trends

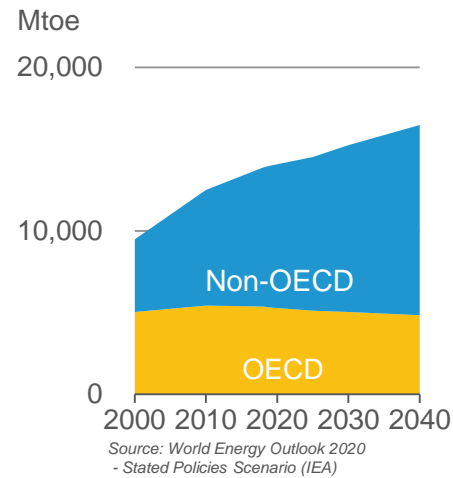
Energy Demand and Supply



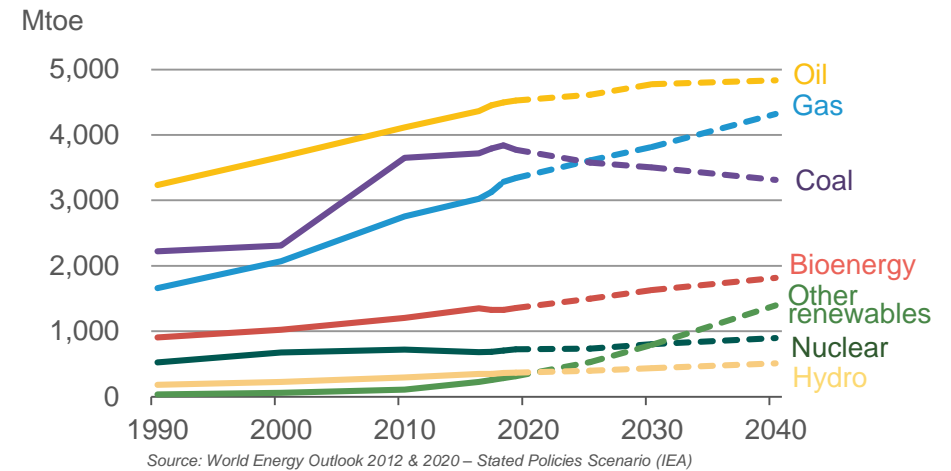
World Population



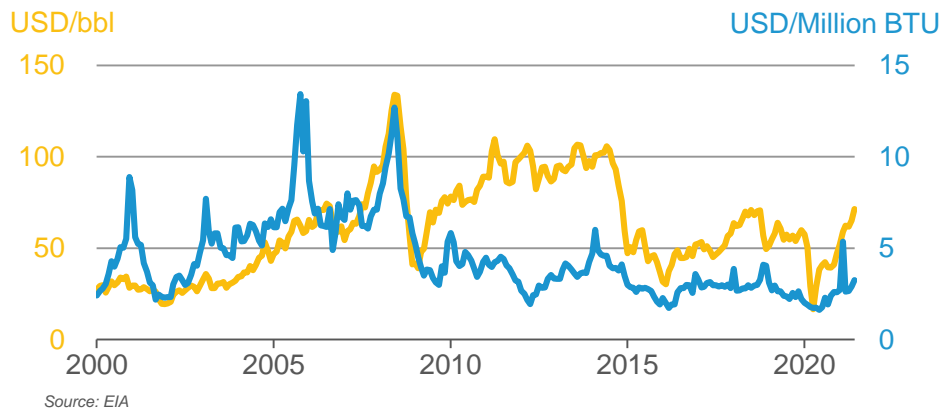
Energy Demand



Demand by Energy Type

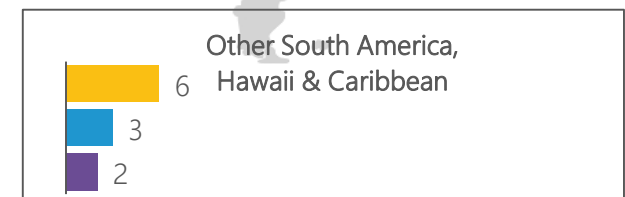
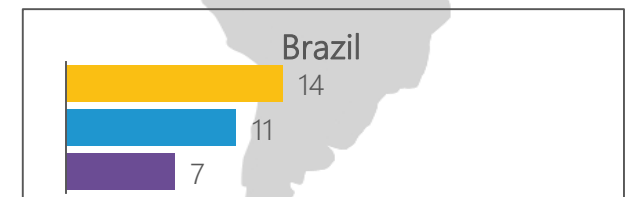
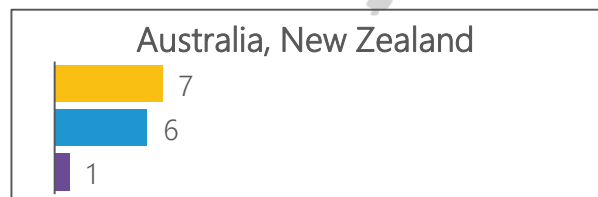
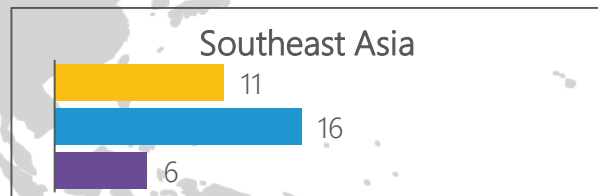
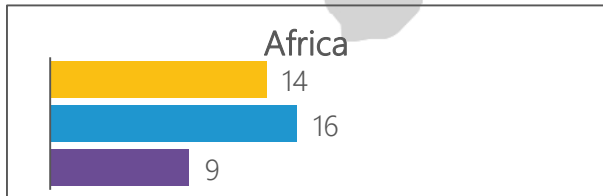
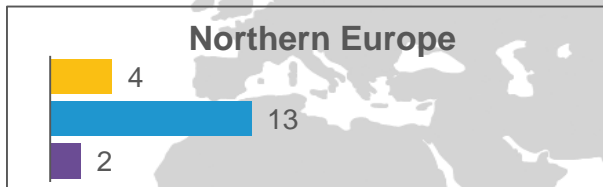
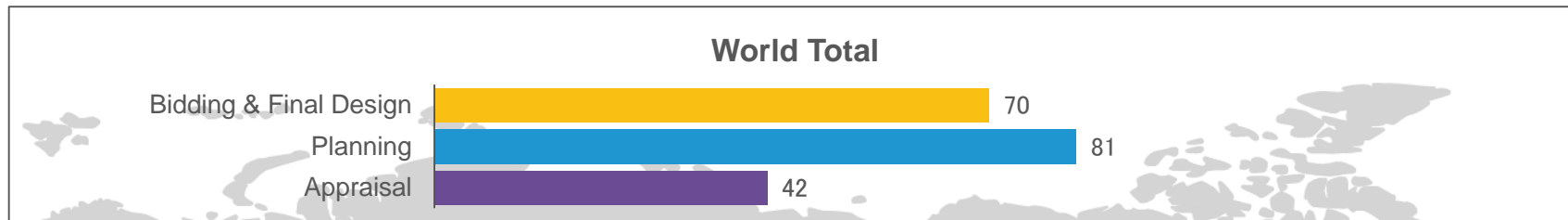


Oil & Natural Gas Prices (WTI/Henry Hub)



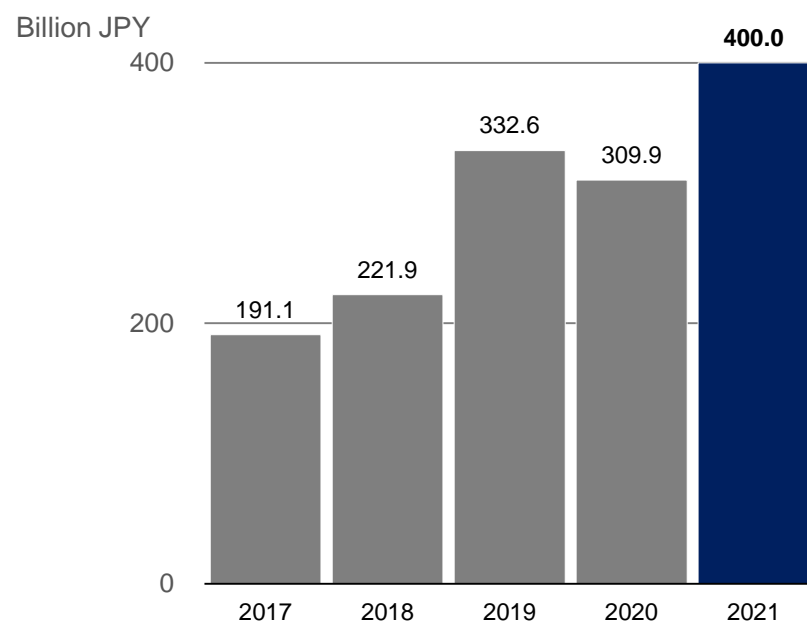
Floating Production Systems Planned or Under Study

Projects in Planning Pipeline (Appraisal, Planning, and Bidding/Final Design) as of July 2021

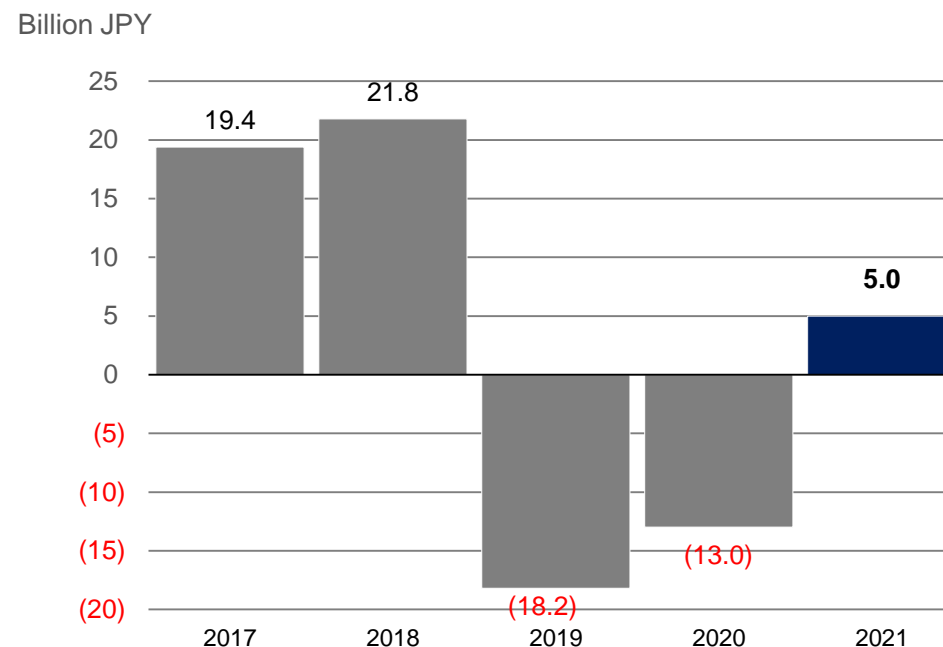


FY2021 : Outlook

Revenue



Profit Attributable to Owners of Parent



- Revenue is expected to hit record a high of JPY 400 billion primarily due to progress of EPCI projects
- JPY 5 billion of profit attributable to owners of parent is expected owing to increase in revenue despite the effect of COVID-19 which still remains this year and a large amount of special repair projects cost for FPSOs/ FSO which have served for long time in Brazil.

Highlight

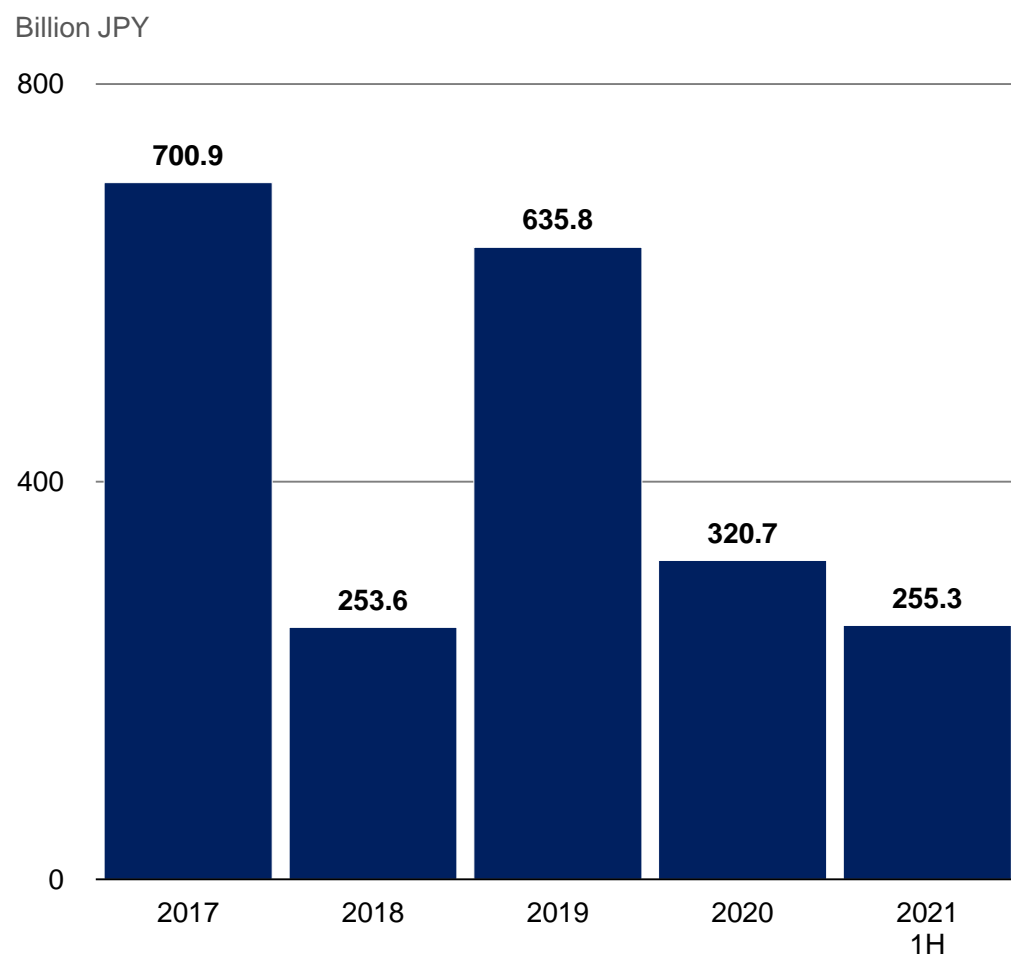
Market View & Outlook

Financial Results

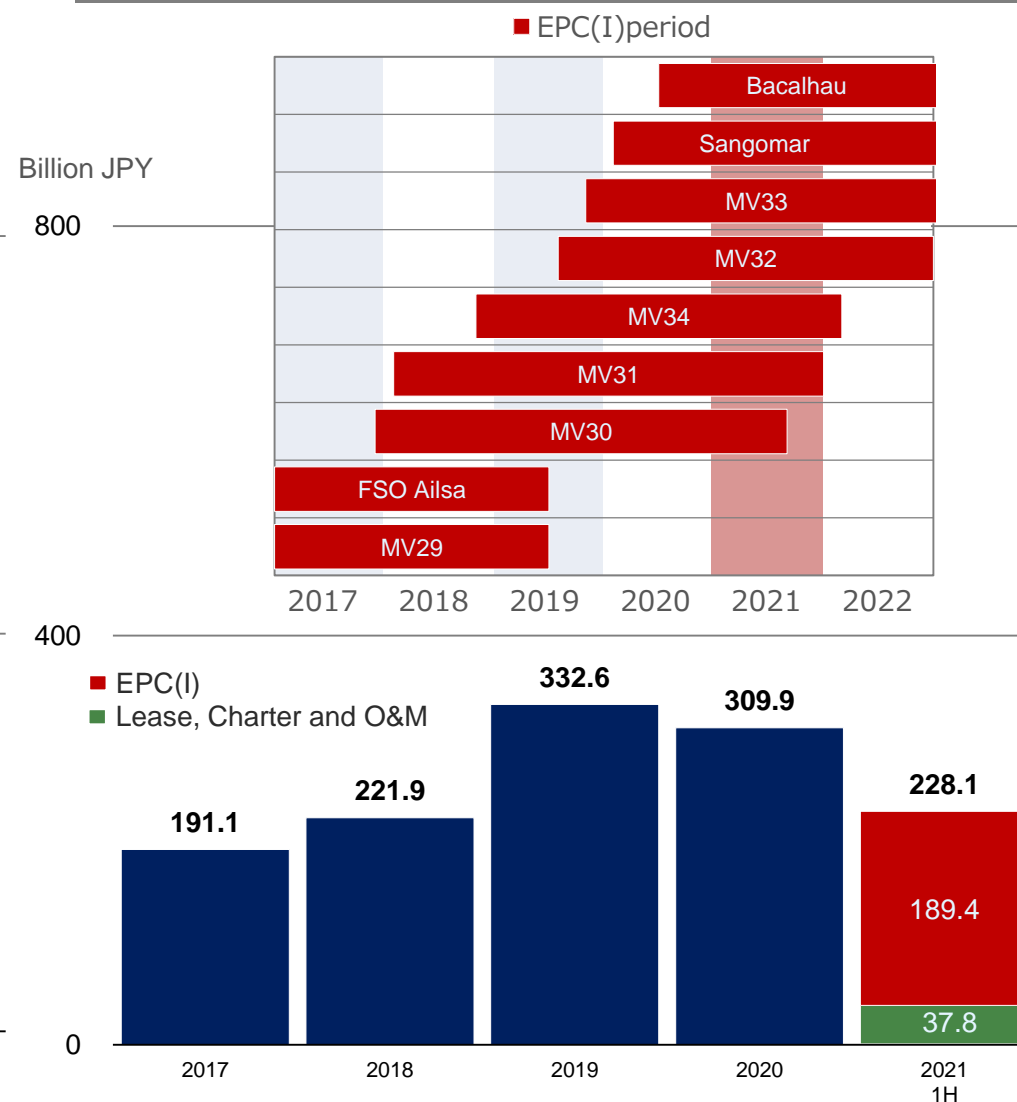
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New Orders / Revenue

New Orders

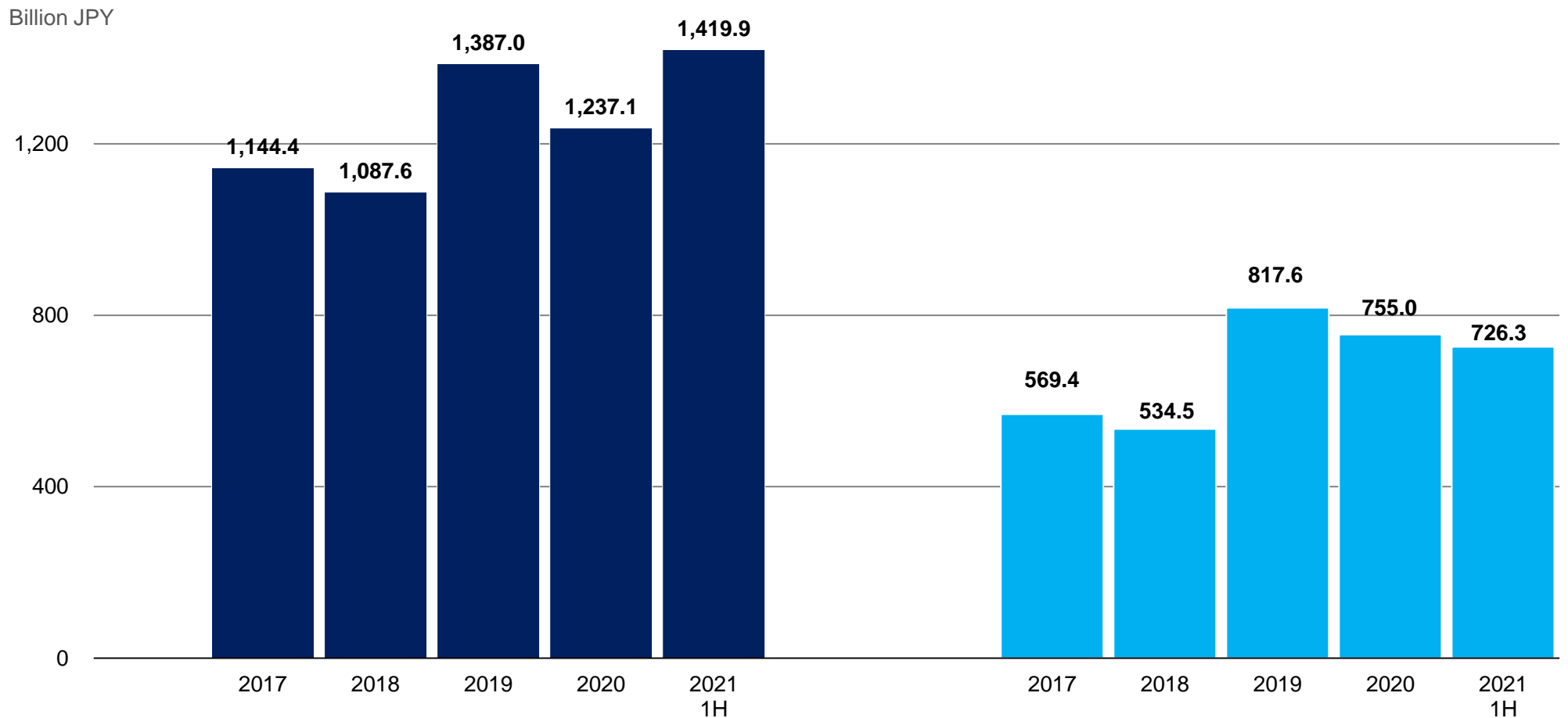


Revenue



Order Backlogs

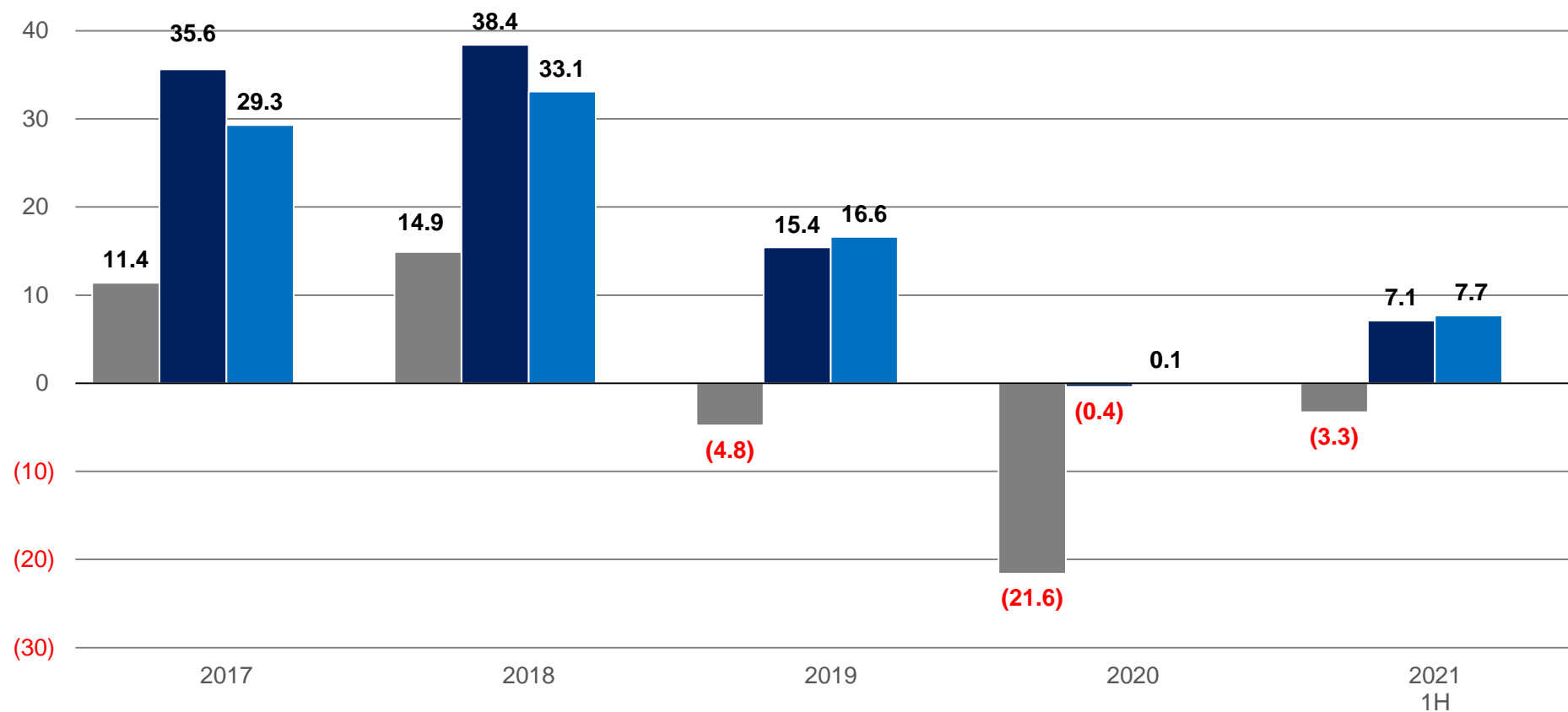
- Order backlogs for MODEC Group's share in the "Lease, Charter and O&M services" of the affiliates accounted for by the equity method



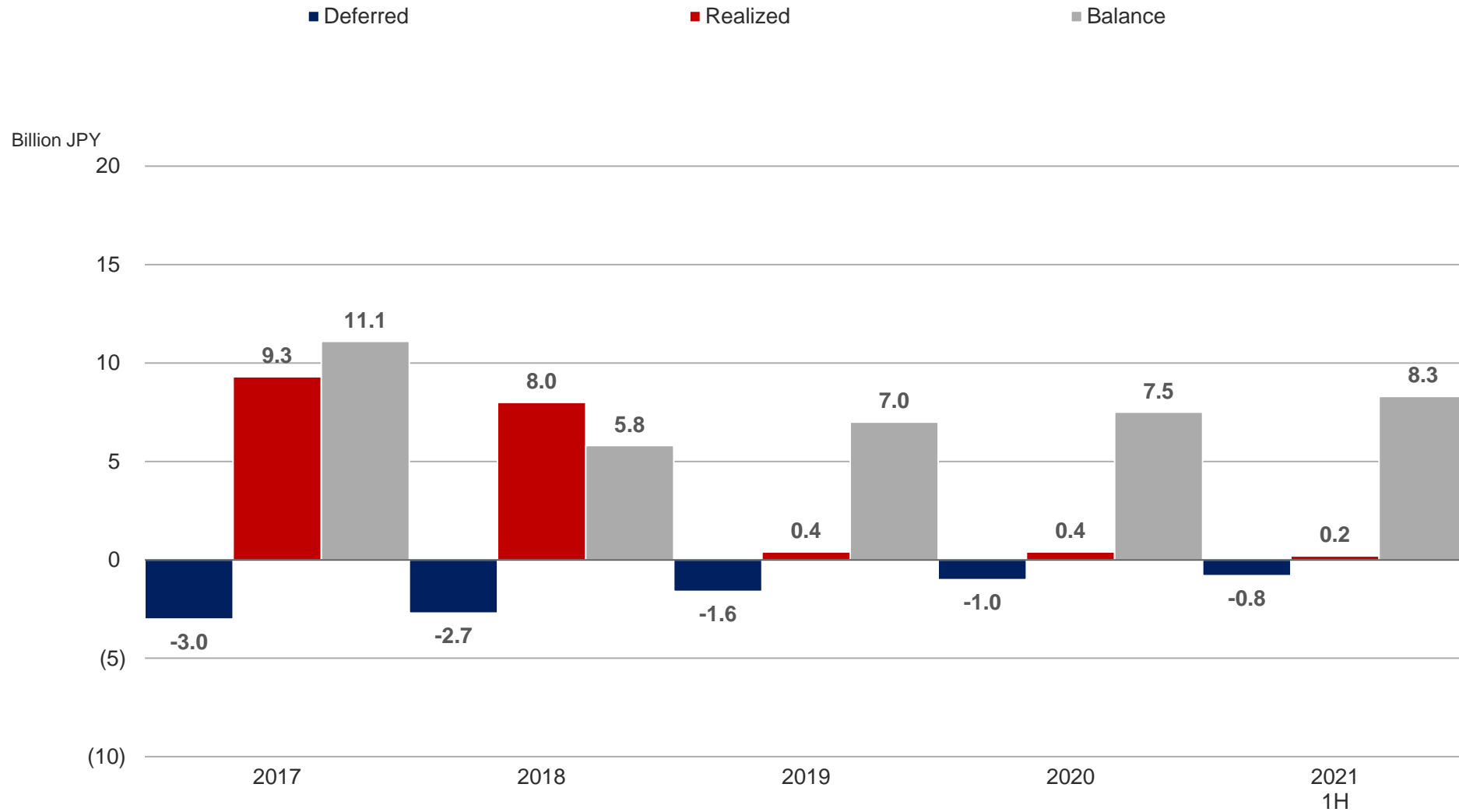
Operating Income

Billion JPY

- A A : Consolidated Operating Profit
- A + B B : Operating Profit (equity method portion)
- A + B + C C : Influence of Deferred/Realized Profits



Influence of Deferred/Realized Profits

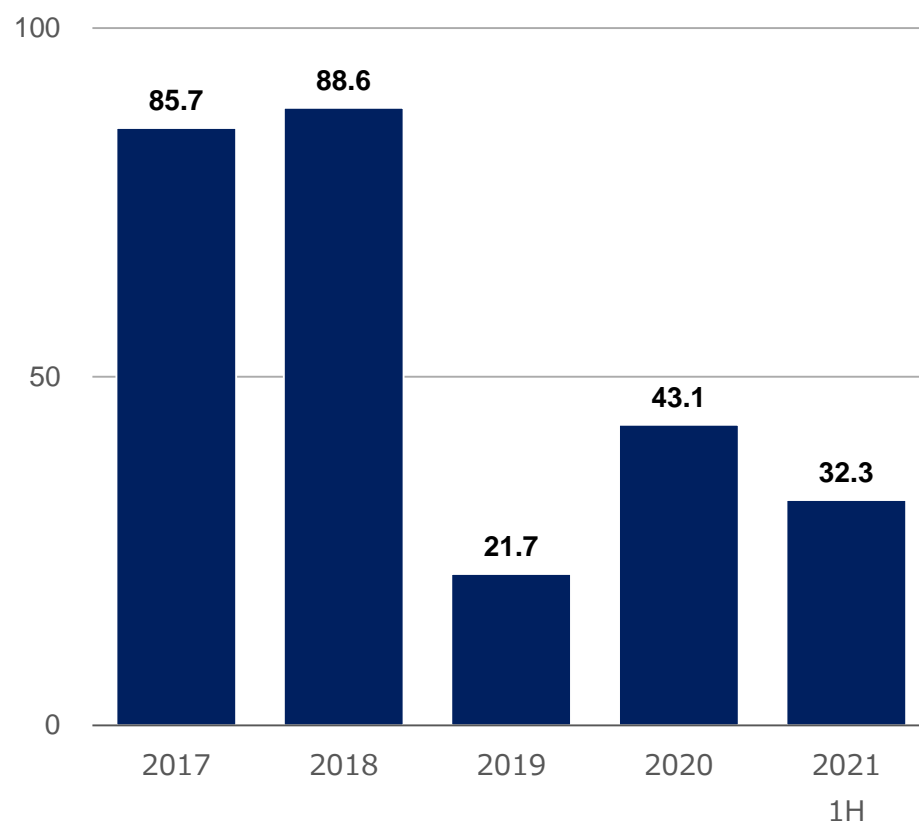


Other Income

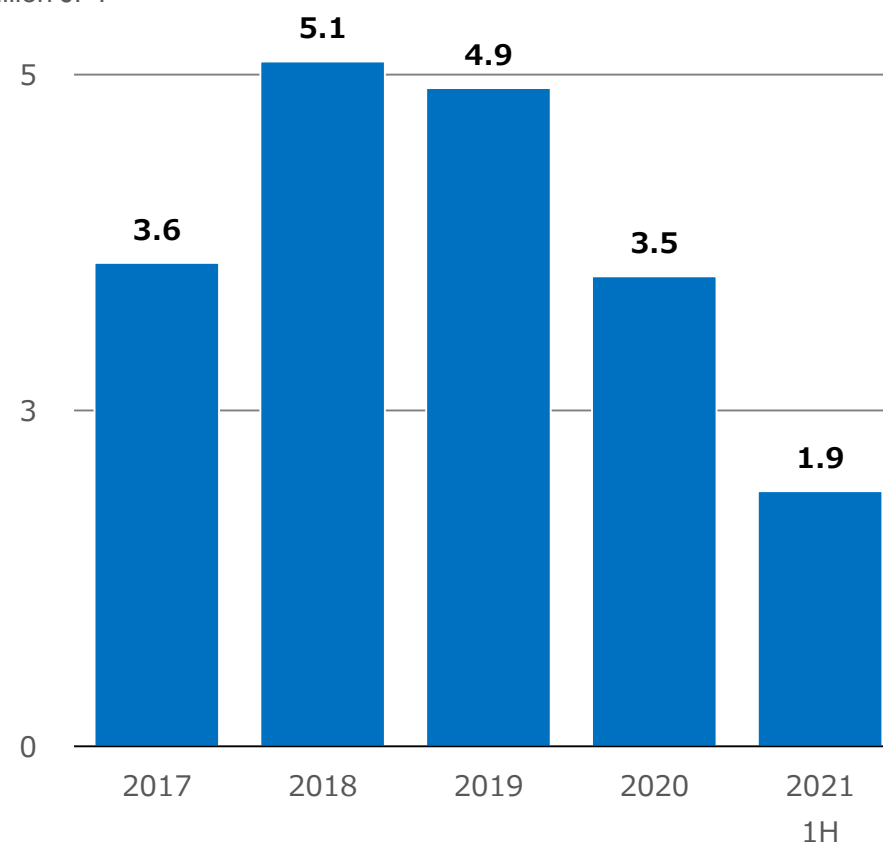
Equity in Earnings of Affiliates

Net Interest Income

Million USD



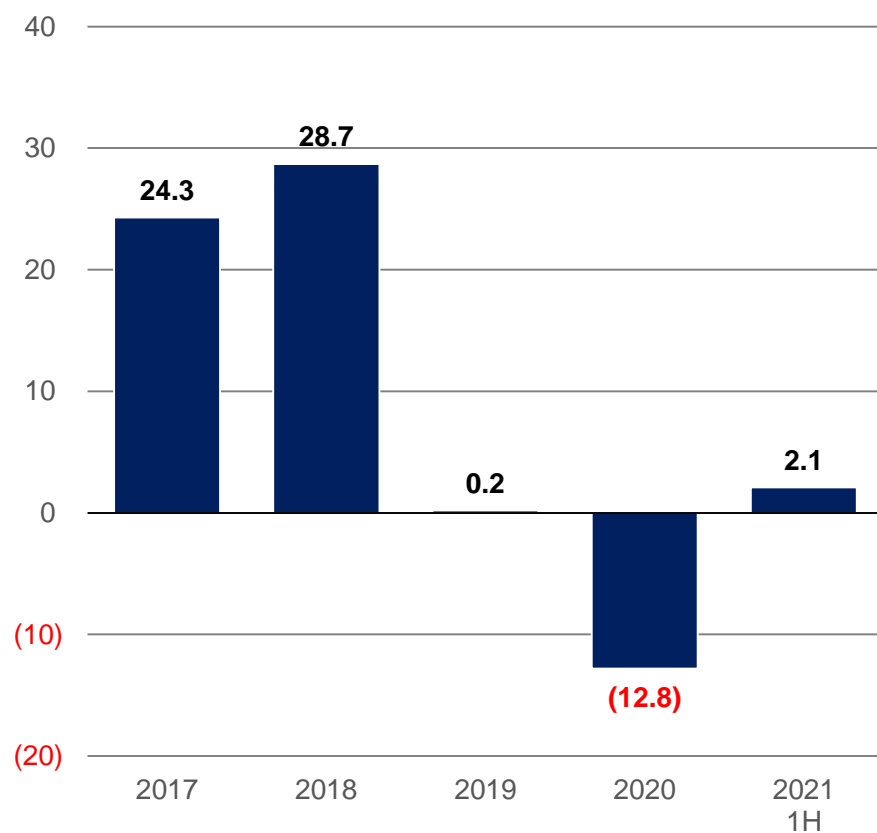
Billion JPY



Ordinary Profits / Profit Attributable to Owners of Parent

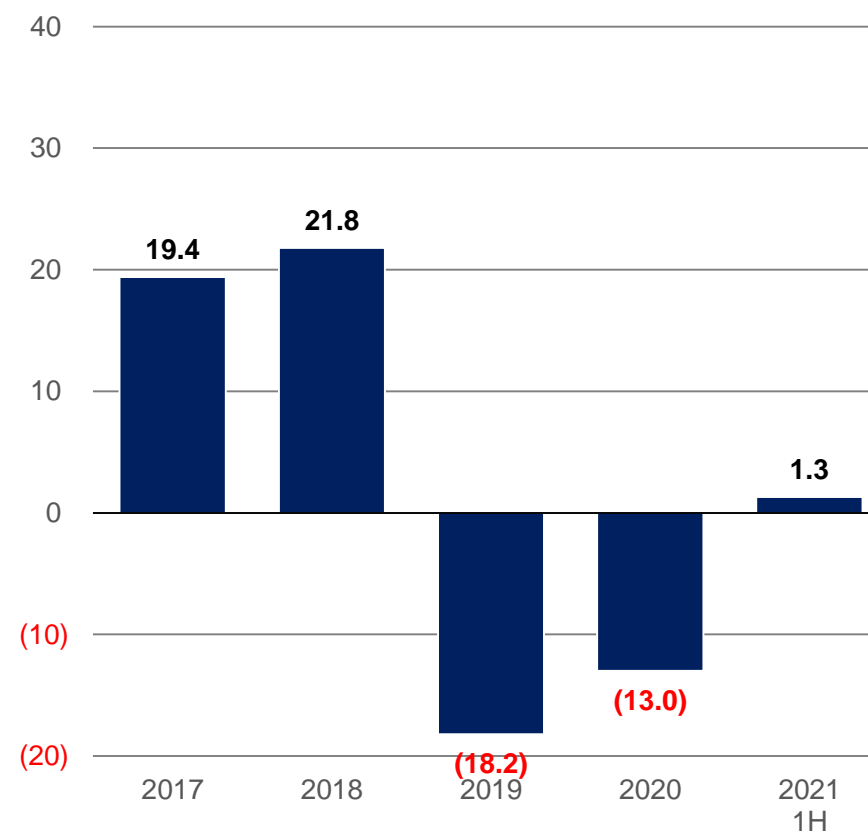
Ordinary Profit

Billion JPY



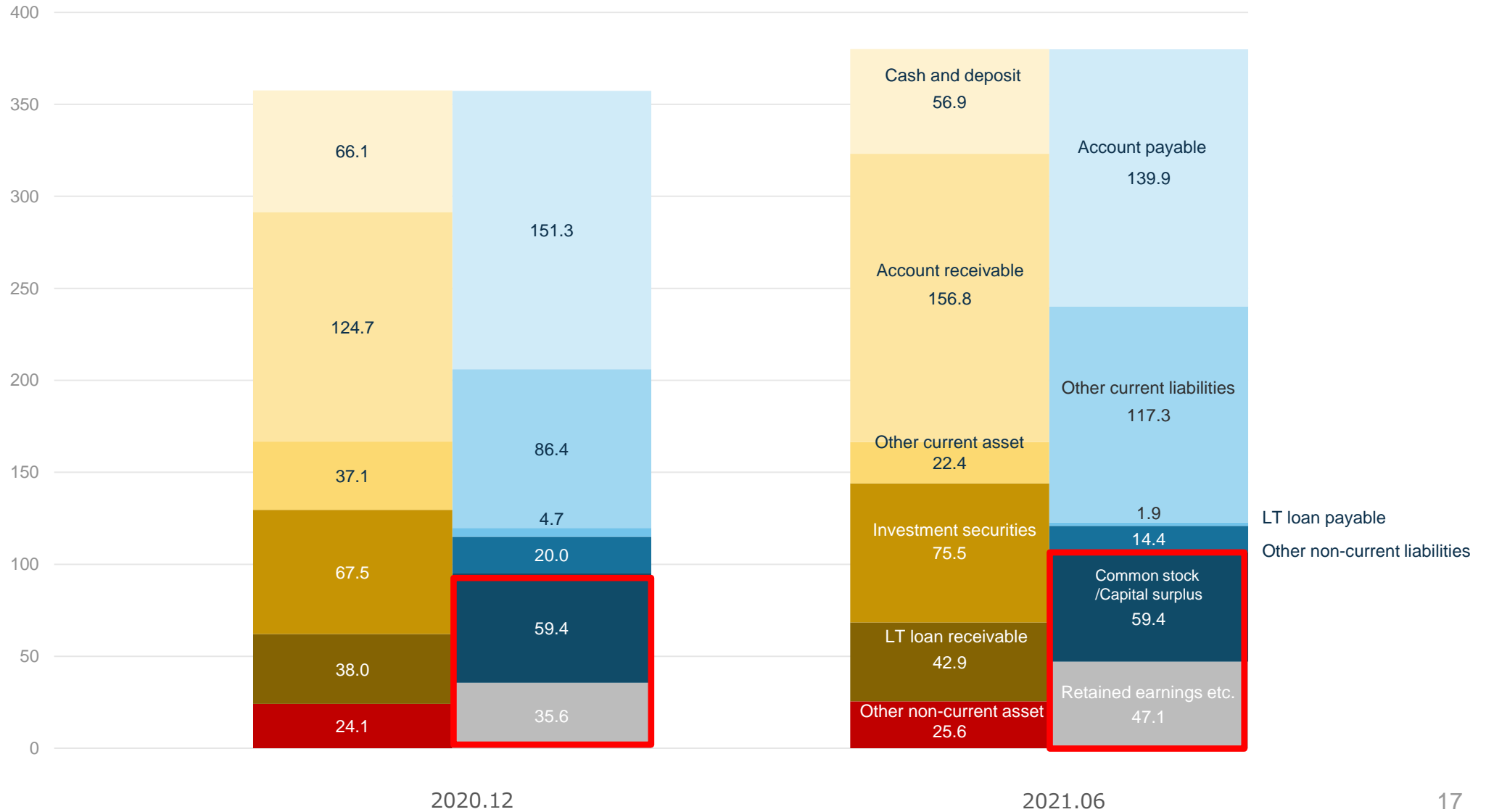
Profit Attributable to Owners of Parent

Billion JPY



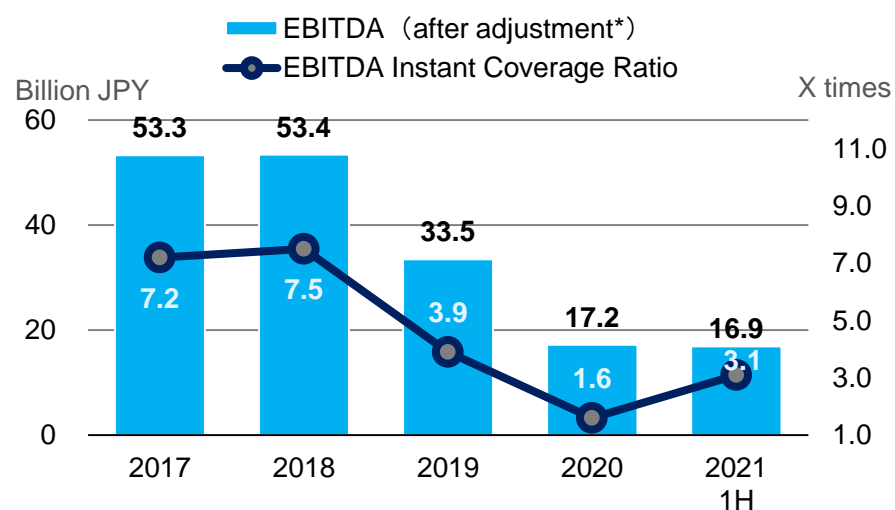
Balance Sheet

Billion JPY

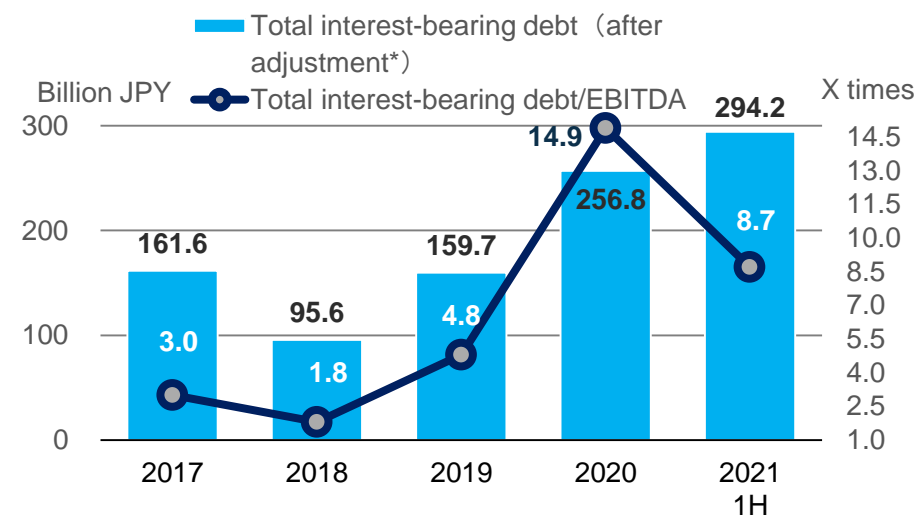


Key Financial Indicators

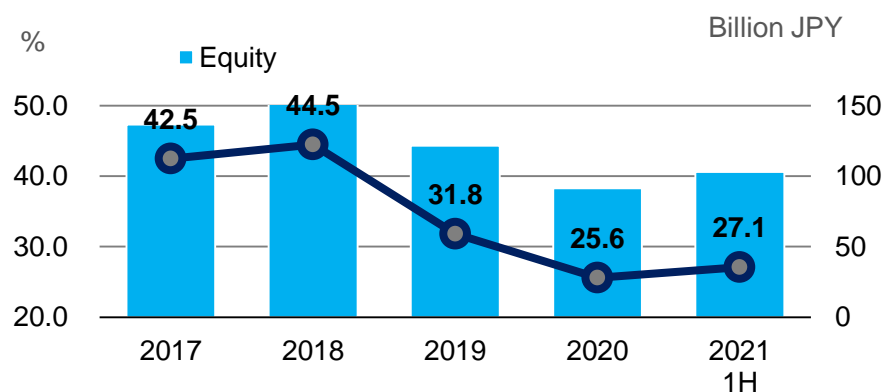
EBITDA



Interest-Bearing Debt



Equity Ratio



*Adjustment: Adding MODEC group's share in affiliates accounted for by the equity method



Thank you