



RYSTAD ENERGY

MARKET OUTLOOK

KNOT OFFSHORE PARTNERS LP INVESTOR DAY

OCTOBER 6TH 2021

TORE GULDBRANDSOY, SVP

Disclaimer

This report has been prepared by Rystad Energy (the "Company"). All materials, content and forms contained in this report are the intellectual property of the Company and may not be copied, reproduced, distributed or displayed without the Company's permission to do so. The information contained in this document is based on the Company's global energy databases and tools, public information, industry reports, and other general research and knowledge held by the Company. The Company does not warrant, either expressly or implied, the accuracy, completeness or timeliness of the information contained in this report. The document is subject to revisions. The Company disclaims any responsibility for content error. The Company is not responsible for any actions taken by the "Recipient" or any third-party based on information contained in this document.

This presentation may contain "forward-looking information", including "future oriented financial information" and "financial outlook", under applicable securities laws (collectively referred to herein as forward-looking statements). Forward-looking statements include, but are not limited to, (i) projected financial performance of the Recipient or other organizations; (ii) the expected development of the Recipient's or other organizations' business, projects and joint ventures; (iii) execution of the Recipient's or other organizations' vision and growth strategy, including future M&A activity and global growth; (iv) sources and availability of third-party financing for the Recipient's or other organizations' projects; (v) completion of the Recipient's or other organizations' projects that are currently underway, under development or otherwise under consideration; (vi) renewal of the Recipient's or other organizations' current customer, supplier and other material agreements; and (vii) future liquidity, working capital, and capital requirements. Forward-looking statements are provided to allow stakeholders the opportunity to understand the Company's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as a factor in their assessment, e.g. when evaluating an investment.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. All forward-looking statements are subject to a number of uncertainties, risks and other sources of influence, many of which are outside the control of the Company and cannot be predicted with any degree of accuracy. In light of the significant uncertainties inherent in such forward-looking statements made in this presentation, the inclusion of such statements should not be regarded as a representation by the Company or any other person that the forward-looking statements will be achieved.

The Company undertakes no obligation to update forward-looking statements if circumstances change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

Under no circumstances shall the Company, or its affiliates, be liable for any indirect, incidental, consequential, special or exemplary damages arising out of or in connection with access to the information contained in this presentation, whether or not the damages were foreseeable and whether or not the Company was advised of the possibility of such damages.

© Rystad Energy 2020. All Rights Reserved.

Content


Oil Market short to medium term

Energy Transition Drivers and Scenarios

Brazil and North Sea

Delivery channels to meet your business needs

Data



“Fit for purpose” solutions. Data feeds, dashboards, GIS services and our proprietary Cube Browser

Analytics




An ever-evolving A-Z library of the energy sector - comprising of reports, daily commentaries and factsheets

Advisory




Bespoke and customized consulting engagements




Oil & Gas




Commodity Markets



Renewables & Power

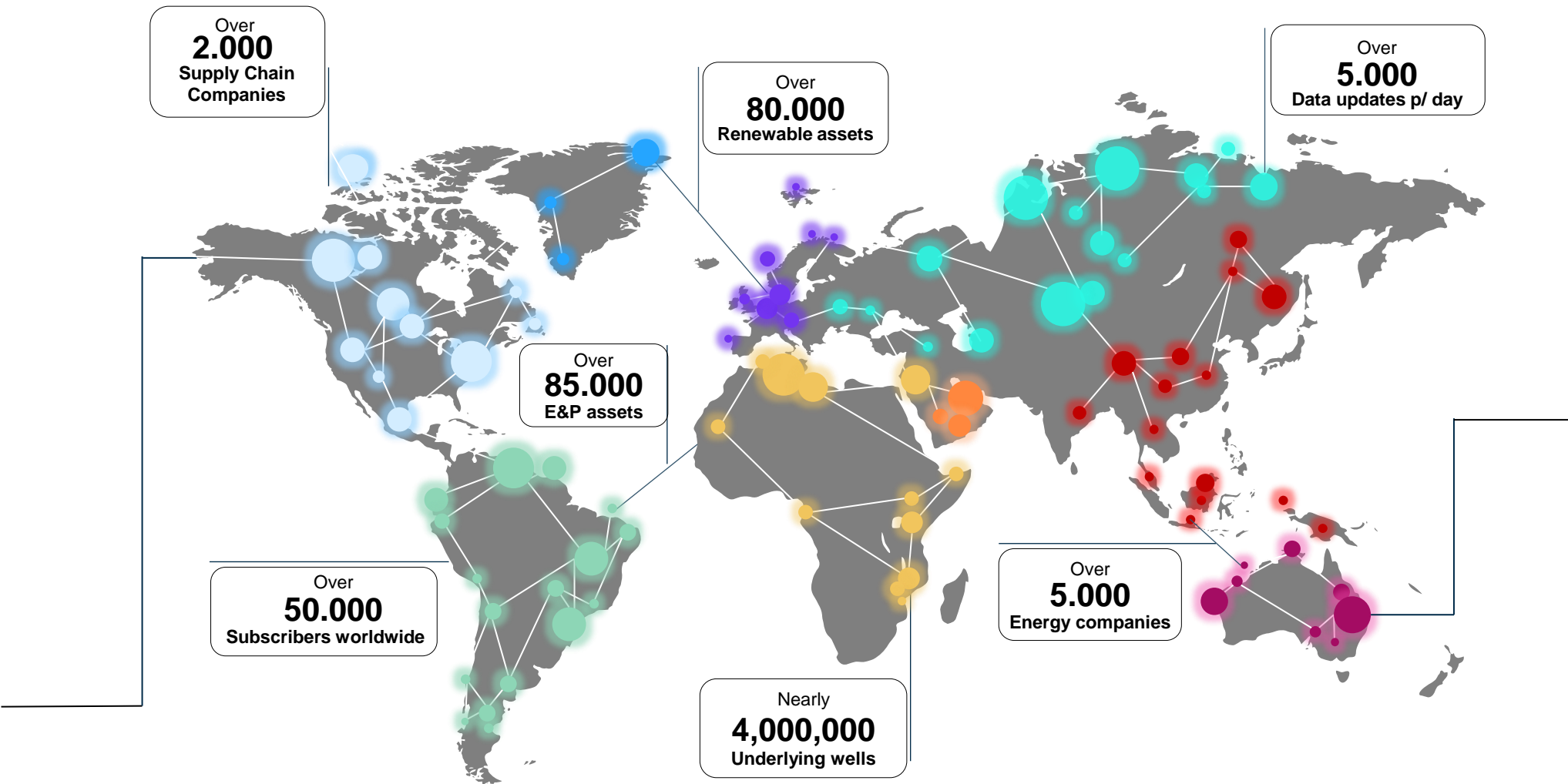


Energy Transition



Supply Chain

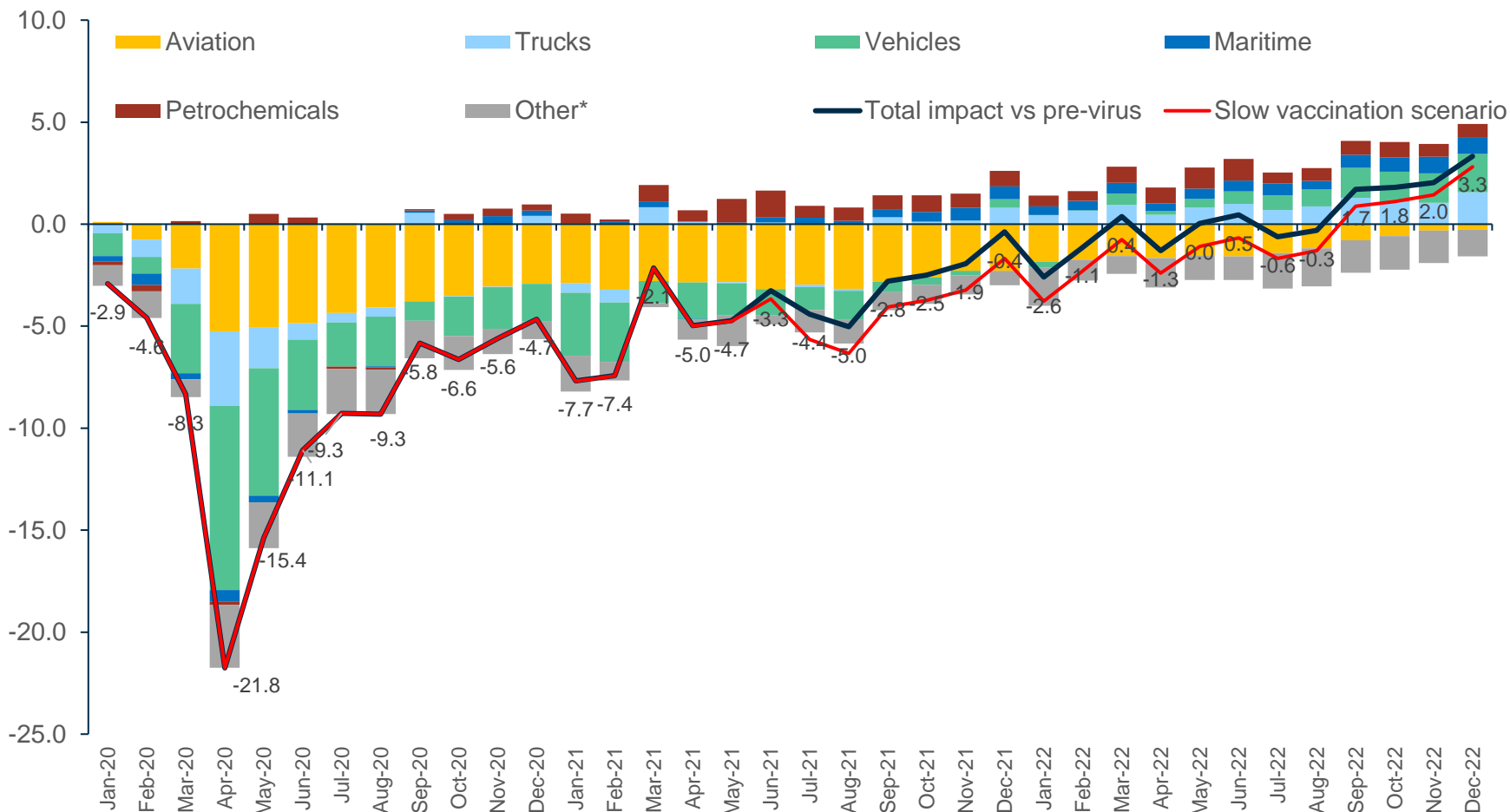
A micro to macro philosophy



We expect oil demand back to pre-virus levels in 2022

Covid-19 impact on global oil products demand by sector relative to pre-virus levels***

Million barrels per day



*Structural declines represent legacy declines regardless of Covid in the following sectors: agriculture, industry, energy own use, buildings, non-energy use and power.

**Structural growth represents growth regardless of Covid in the following sectors: buses, maritime and petrochemicals.

***Pre-virus levels are 2019 demand for the corresponding month of the year. Other sectors include agriculture, buildings, energy own use, industry, non-energy use and power.

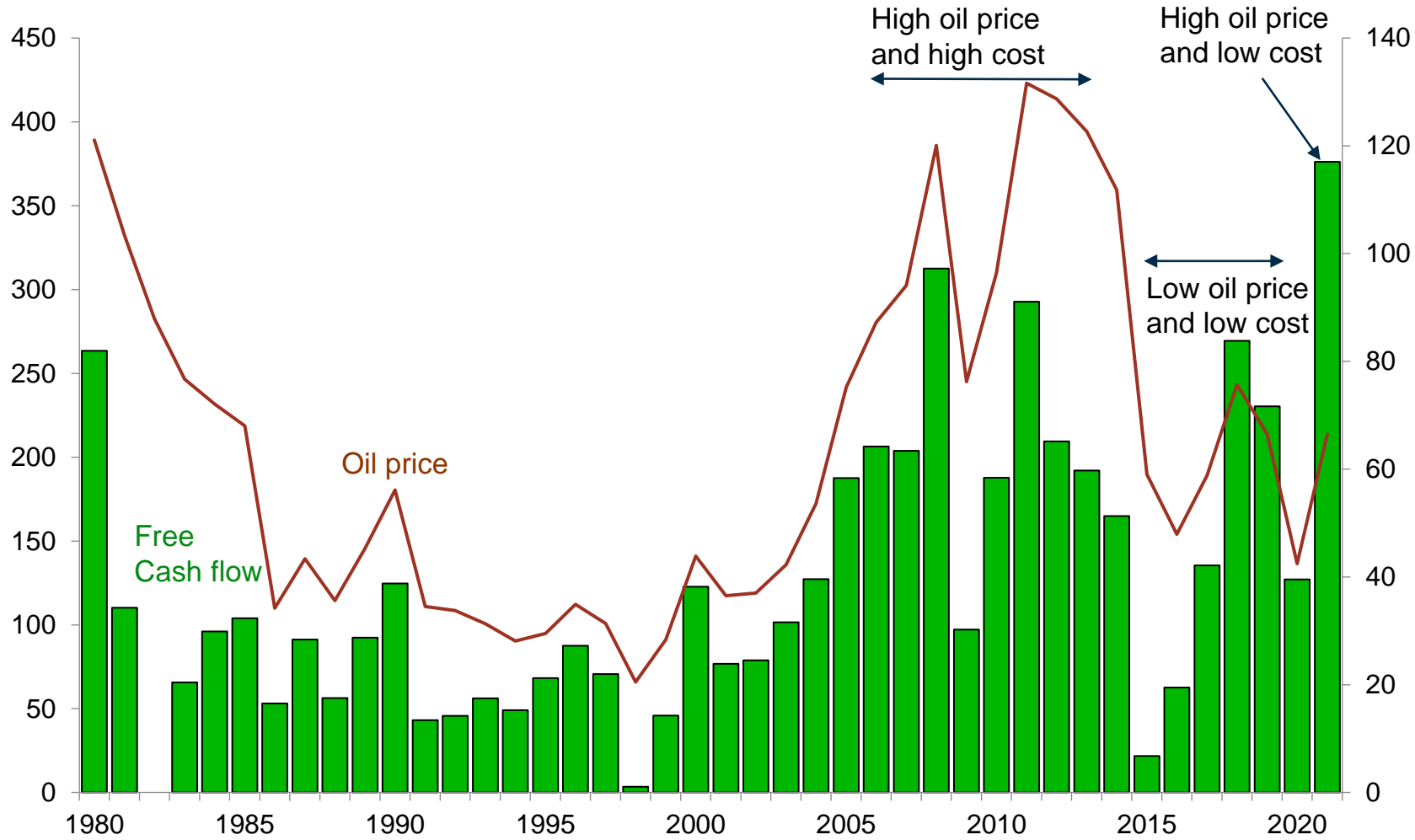
Source: Rystad Energy research and analysis and Oil Market Report September 2021.

2021 to be record cash flow year ever for E&Ps

Free cash flow* for all public E&P companies and Brent oil price

Billion USD (real)

USD per barrel (real)



Source: Rystad Energy research and analysis. Only Upstream and no financing cost.

Energy Transition with increased momentum



Net Zero by 2050

A Roadmap
Global Energy
Sector



'Fit For 55': Here's What To Expect As The EU Unveils Its Ambitious New Climate Legislation



SUSTAINABLE FUTURE

Dutch court rules oil giant Shell must cut carbon emissions by 45% by 2030 in landmark case



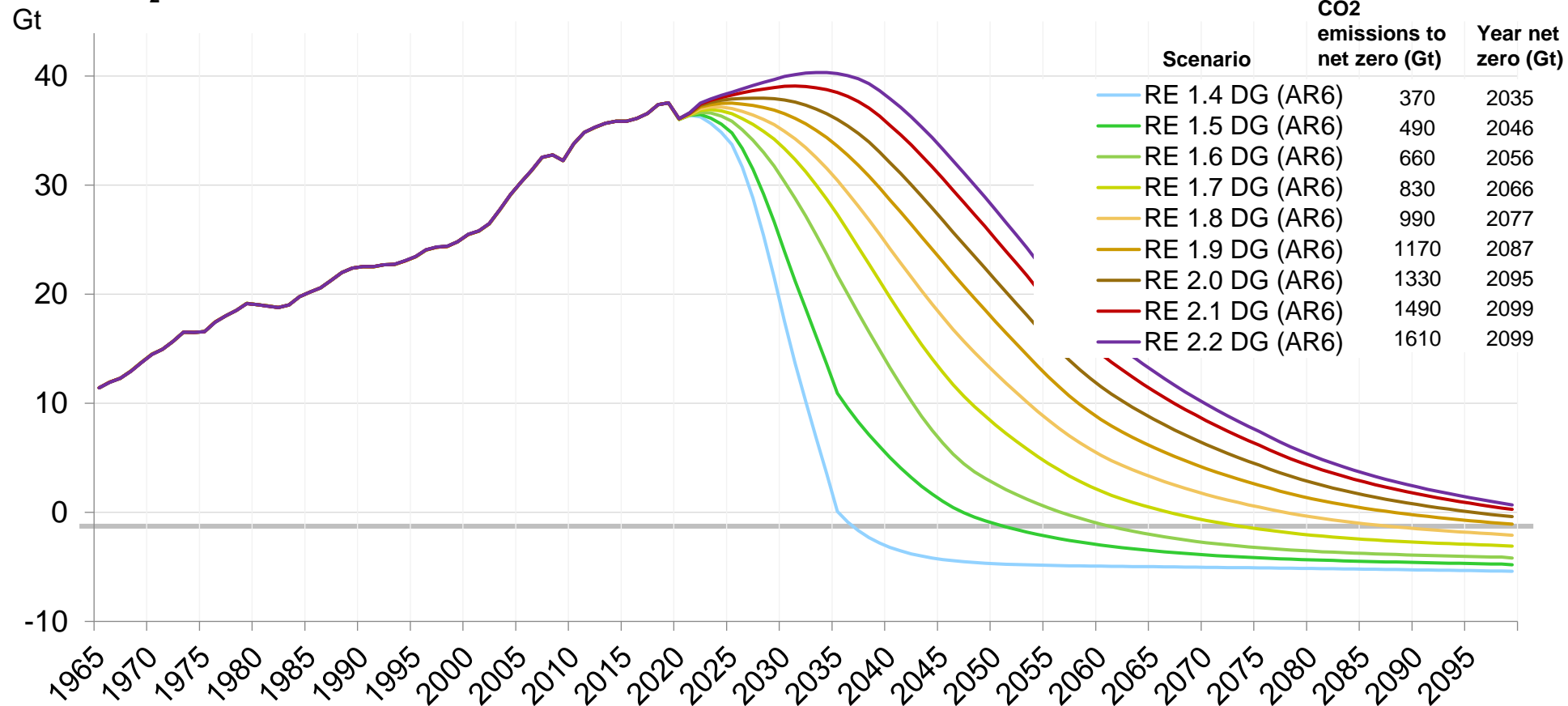
PUBLISHED WED, MAY 26 2021-9:44 AM EDT | UPDATED WED, MAY 26 2021-1:17 PM EDT

Climate change widespread, rapid, and intensifying – IPCC



CO₂ emissions for nine scenarios in Energy Scenario Cube

Global CO₂ emissions 1965-2100

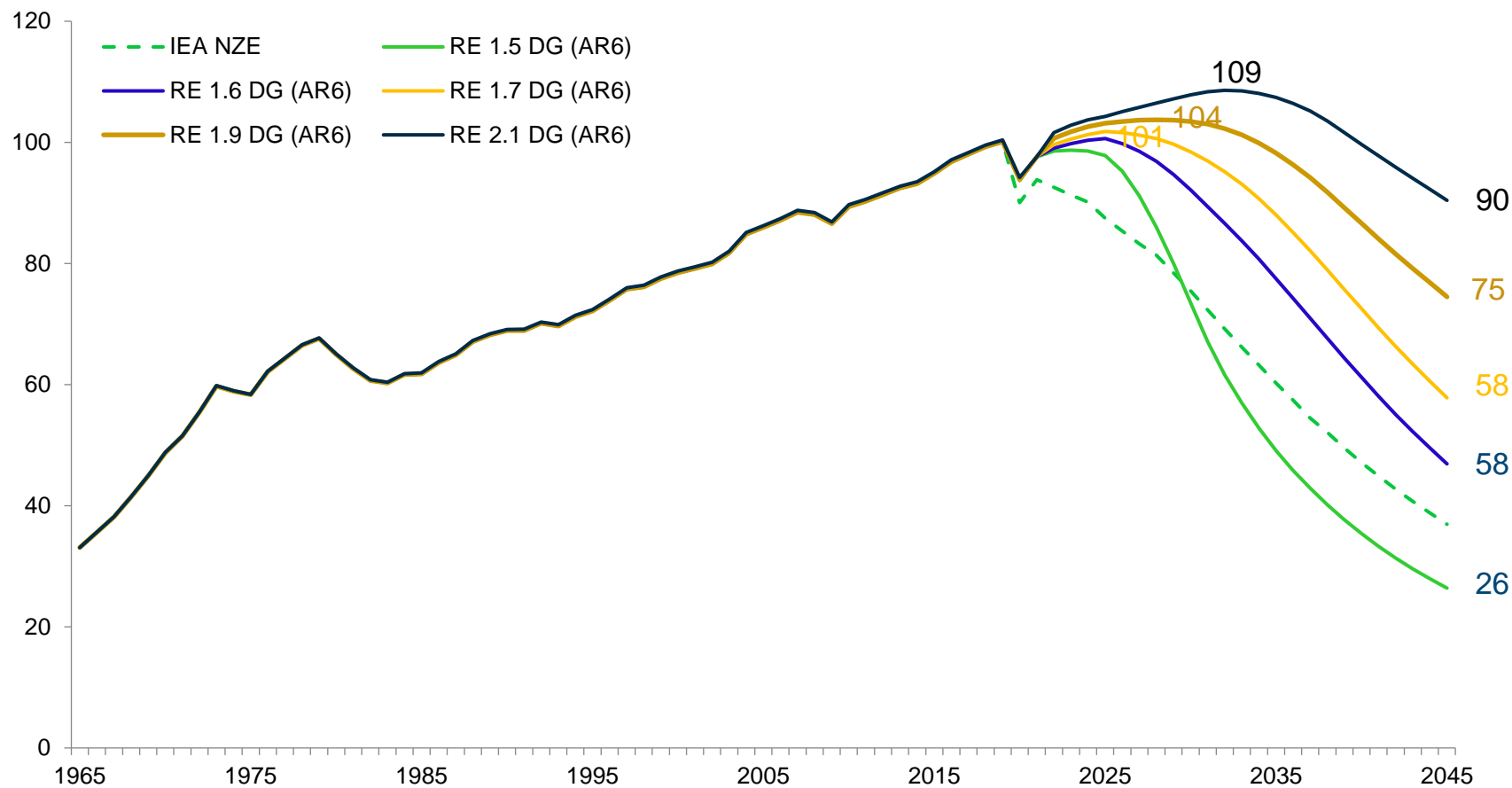


Source: Rystad Energy "Energy Scenario Cube".

Global Oil demand scenarios with large range towards 2045

Oil demand by scenario

Million barrels per day

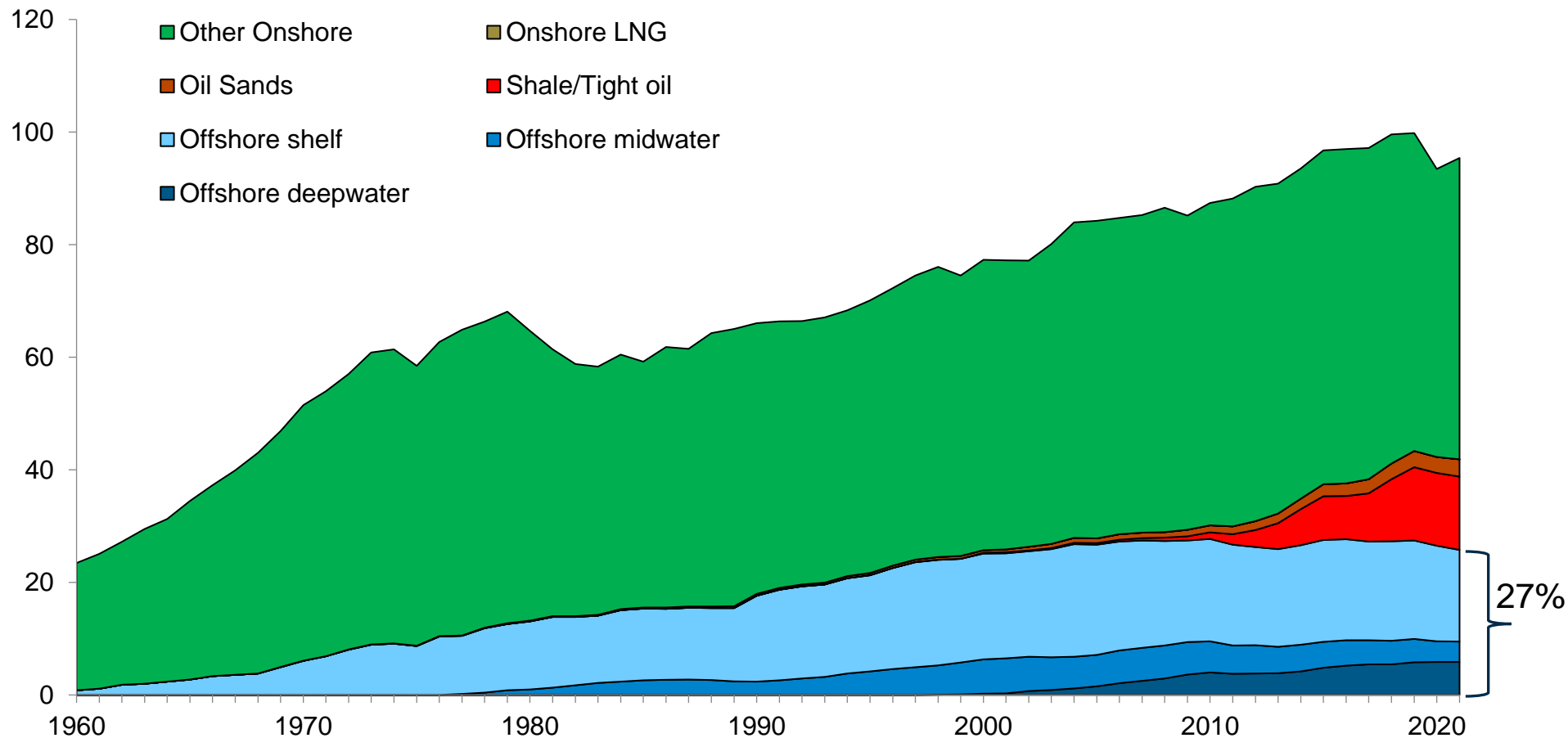


Source: Rystad Energy Energy Scenario Cube

Offshore oil production delivered at stable levels for last 20 years

Global liquid* production by segment 1960-2020

Million barrel per day

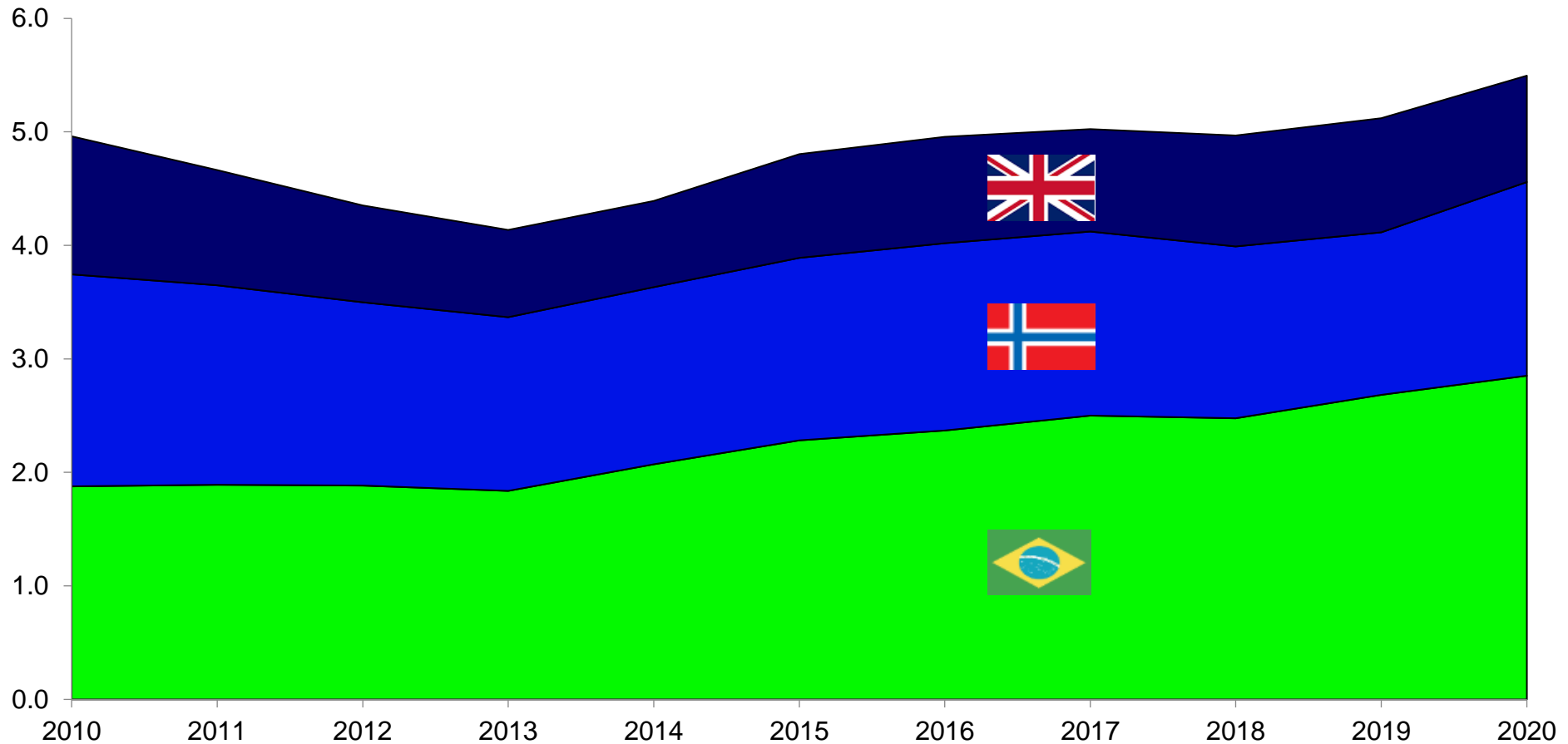


*Liquid includes crude oil, condensate and NGL.
Source: Rystad Energy research and analysis. UCube September 2021 .

Oil production has increased in the North Sea and Brazil since 2013

Oil production* North Sea (Norway, UK) and Brazil 2010-2020

Million barrel per day

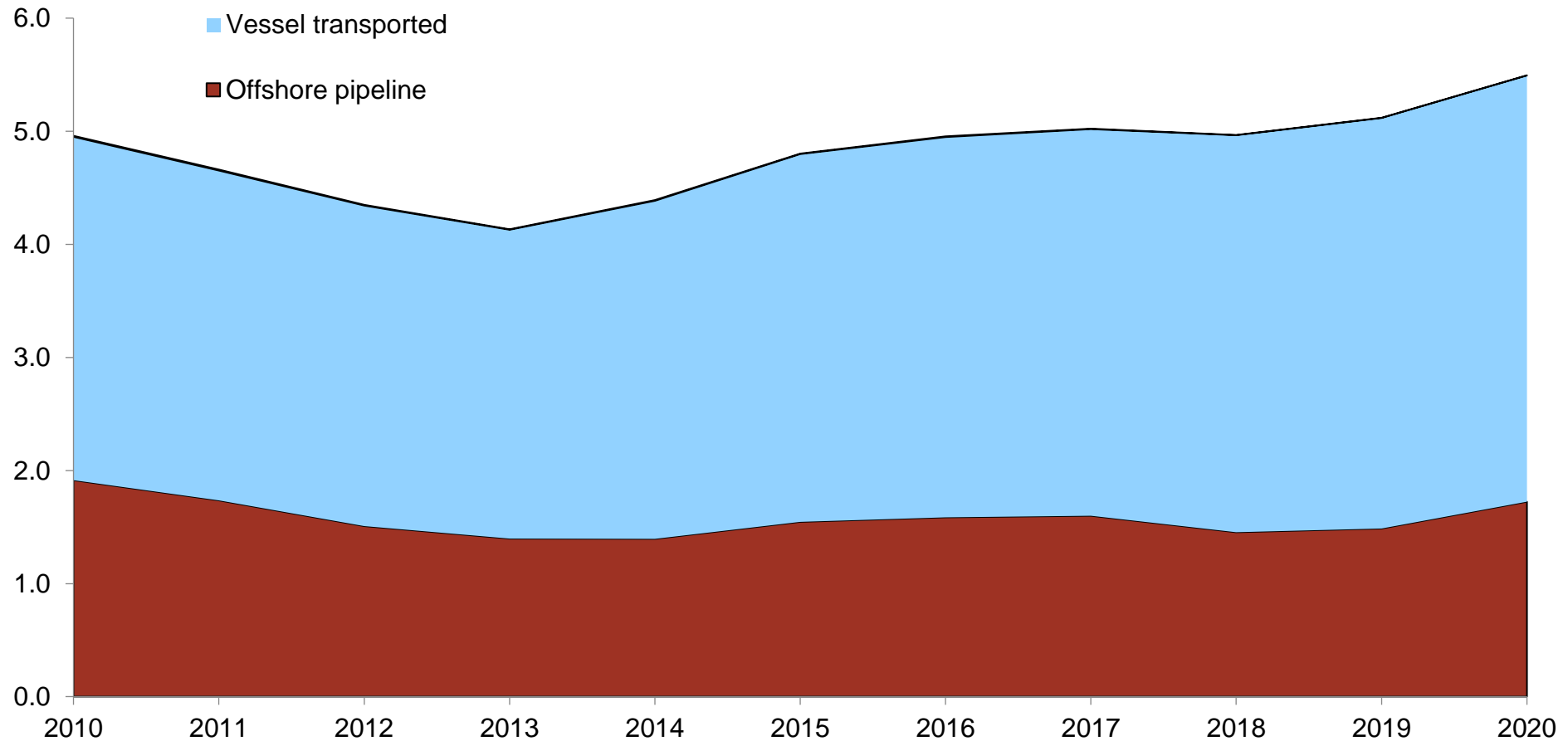


Source: Rystad Energy research and analysis. UCube September 2021. *Crude and condensate.

Oil shuttle tanker volumes increased, but pipeline volumes stable since 2013

Oil production* North Sea and Brazil split by export category 2010-2020

Million barrel per day

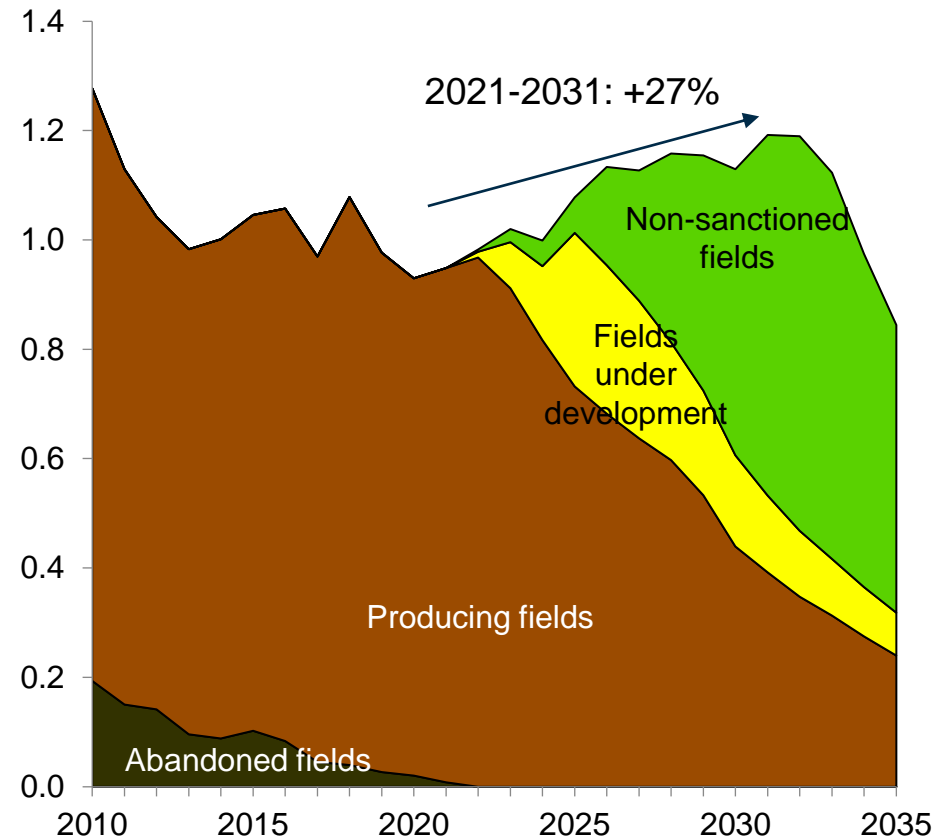
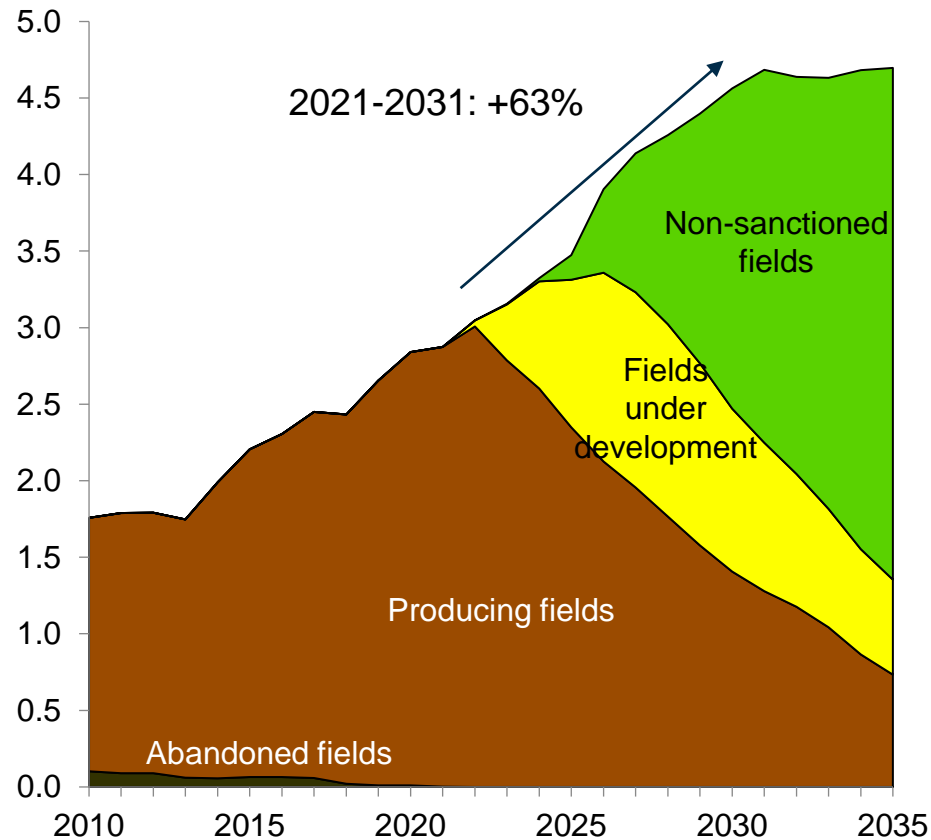


Source: Rystad Energy research and analysis. UCube September 2021.*Crude and condensate

Shuttle tanker volumes could increase 63% in Brazil and 27% in the North Sea to 2031

Oil production shuttle tanker volumes split by lifecycle

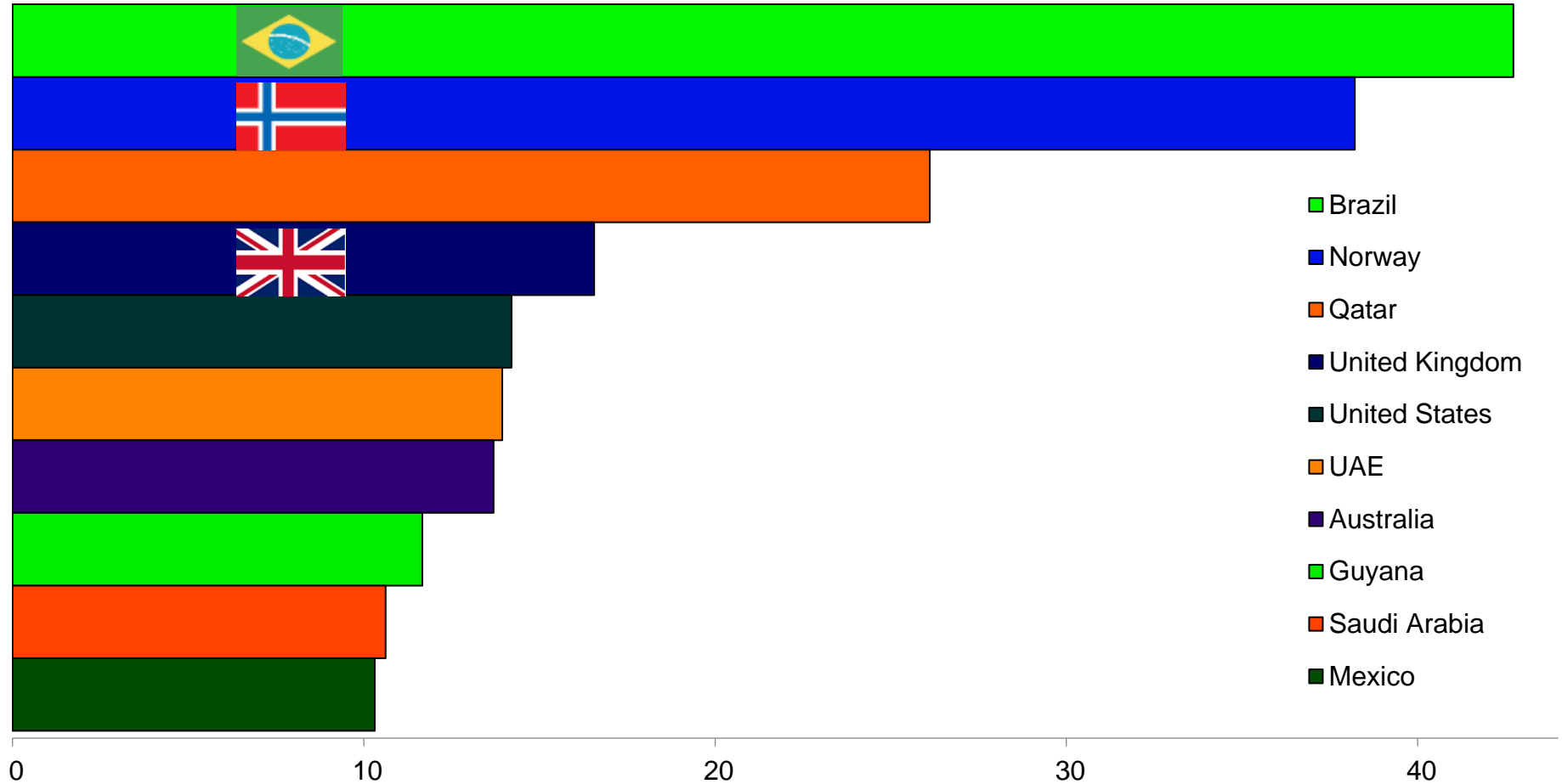
Million barrel per day



Source: Rystad Energy research and analysis. UCube September 2021. *Crude and condensate.

Brazil and Norway leading the offshore recovery

Greenfield Capex new field developments offshore with expected sanction 2021-2023/2024
Billion USD



Source: Rystad Energy research and analysis. UCube September 2021



RYSTAD ENERGY

Rystad Energy is an independent energy consulting services and business intelligence data firm offering global databases, strategy advisory and research products for energy companies and suppliers, investors, investment banks, organizations, and governments. Rystad Energy's headquarters are located in Oslo, Norway.

Headquarters

Rystad Energy
Fjordalléen 16, 0250 Oslo, Norway

Americas +1 (281)-231-2600

EMEA +47 908 87 700

Asia Pacific +65 690 93 715

Email: support@rystadenergy.com

© Copyright. All rights reserved.



Tore Guldbrandsøy
SVP & Head of Stavanger Office
tore@rystadenergy.com
+47 90135649

