



OKEA ASA

Q3 2024

31 October 2024



Cautionary statement

- > This presentation contains forward looking information
- > Forward looking information is based on management assumptions and analysis
- > Actual outcomes may differ, and those differences may be material
- > Forward looking information is subject to significant uncertainties and risks as they relate to events and/or circumstances in the future
- > This presentation must be read in conjunction with the published financial reports of the company and the disclosures therein
- > A full disclaimer is included at the end of this presentation

Highlights

Third quarter 2024



Operational performance

- > Strong operational performance offsets planned maintenance; production of 37.3 (38.4) kboepd
- > Production optimisation initiatives implemented at Draugen; ramping up gas export by 600 boepd from October onwards
- > No serious incidents

Financial performance

- > Petroleum revenues of NOK 2,944 (2,442) million
- > EBITDA of NOK 1,975 (1,617) million
- > Net impairment income of NOK 871 (-267) million driven by sale of Yme
- > Net profit after tax of NOK 277 (87) million
- > Strong net liquidity position of NOK 1,282 (97) million

Portfolio development

- > Sale of non-core Yme asset for a total consideration of USD 15.65 million
- > Higher energy content in the Hasselmus gas increases reserves at Draugen and Hasselmus combined by 2.1 mmbœ net OKEA
- > Development projects:
 - Bestla progressing according to plan
 - Power cable to Draugen on schedule for completion by year-end; completion of power from shore project pushed back from 2027 to 2028

Key operational figures - Q3 2024*

The leading mid- and late-life operator on the Norwegian continental shelf



Safety

0.6

(0.6)
SIF**

Production

37.3

(38.4)
kboepd

Production efficiency

87

(89)
%

Production expense

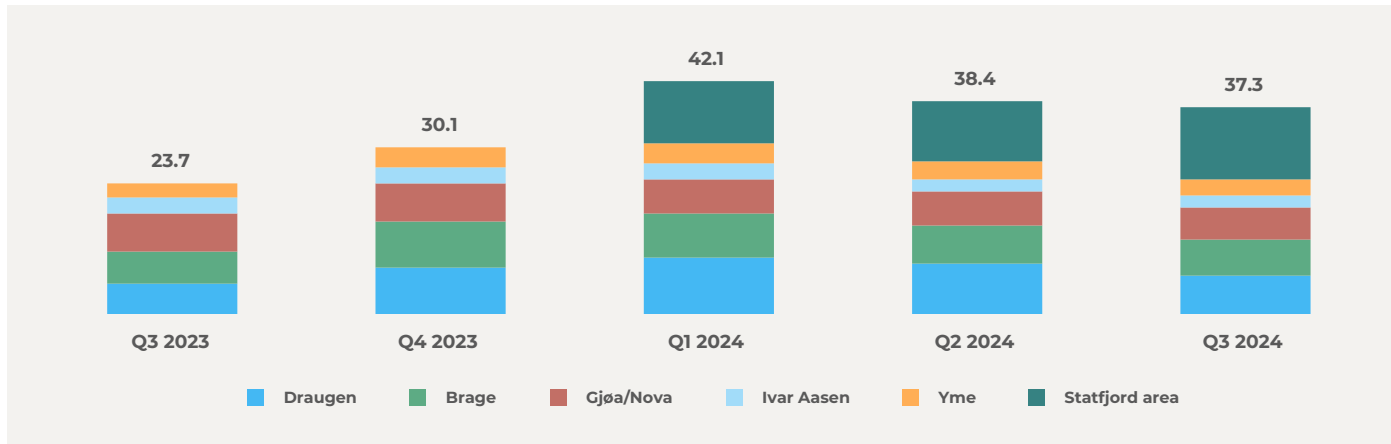
233

(229)
NOK/boe

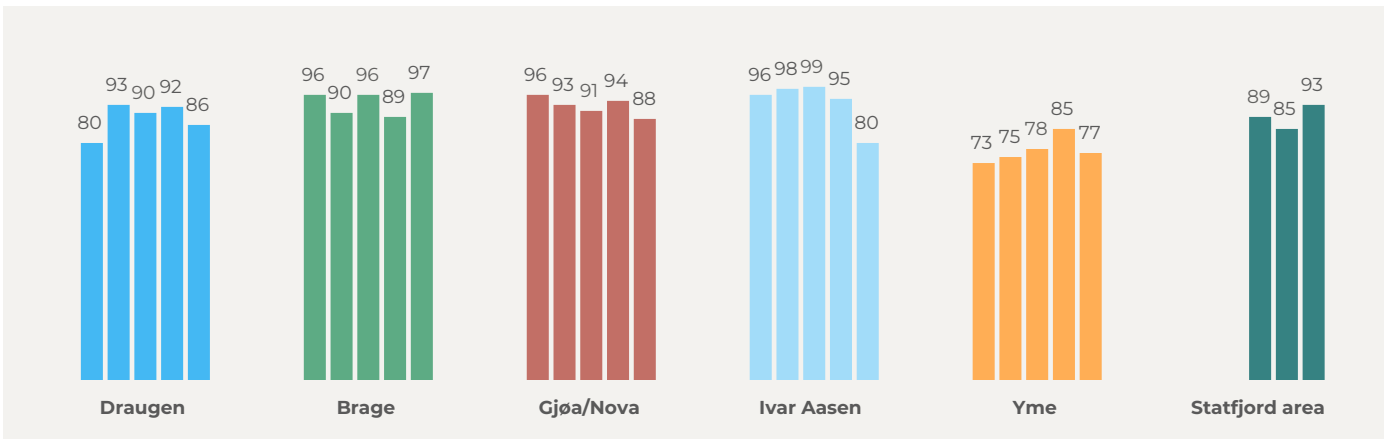
* Previous quarter in parenthesis
** Serious injury frequency 12 months rolling

Production volume and efficiency

Production (kboepd)*






Production efficiency (%) – Q3 2023 to Q3 2024



* Draugen production volumes in Q1 24 include a prior period adjustment of volumes from Hasselmus which increased production in Q1 24 by 1.1 kboepd



Operational update

Assets	Working Interest	Operator	Key updates
 Draugen	44.56%	OKEA	<ul style="list-style-type: none"> > Planned maintenance shutdown at Kårstø completed > Optimising gas processing facility - increasing export by 600 boepd net from October > Reserve increase of 2.1 mmbœ net mainly driven by higher energy content in Hasselmus gas
 Brage	35.20%	OKEA	<ul style="list-style-type: none"> > Planned maintenance shutdown at Kårstø completed > The Fensfjord North well completed and ready for production start-up in Q4 24 > Exploration and appraisal wells in Prince prospect and producer in Sognefjord East area planned for Q4
 Statfjord area	28.00%	Equinor	<ul style="list-style-type: none"> > Increased production following improved performance from new wells > Production efficiency improving at all three platforms > New drilling strategy approved for Statfjord Unit to improve long-term production
 Ivar Aasen	9.24%	Aker BP	<ul style="list-style-type: none"> > Continued reliable operations > Planned maintenance shutdown at SAGE completed > Maturation of IOR 2026 campaign ongoing
 Gjøa/Nova	12.00% / 6.00%	Vår Energi/ Harbour Energy	<ul style="list-style-type: none"> > Water injection system at Nova restarted. Further mitigation measures currently assessed > Rig to drill a fourth water injection well at Nova secured for start-up in Q4 2024 > Several tie-in candidates approaching Gjøa as potential host
 Yme	15.00%	Repsol	<ul style="list-style-type: none"> > Entered into an agreement with Lime Petroleum AS to sell the 15% WI for a consideration of USD 15.65m with effective date 1 January 2024

Realising value from sale of Yme

Exiting a non-core area at favourable terms

Sale of OKEA's 15% working interest (WI) in Yme*



Fixed consideration exceeding holding value

- > Fixed consideration of USD 15.65 million
- > All decommissioning commitments transferred to Lime Petroleum
- > In addition, Lime will pay a post-tax deposit of USD 9.2 million in 2027 to be repaid upon completion of four predefined stages of abandonment



Sale of non-core asset

- > OKEA production in 2024 reduced by ~3 kboepd
- > 2024 capex reduced by NOK ~140 million
- > Freeing up resources to focus on core assets



Accounting implications

- > All assets and liabilities derecognised from OKEA's balance sheet upon settlement
- > Yme related assets and liabilities reclassified to *held for sale* in the Q3 24 report
- > Agreed terms result in NOK 1,185 million reversal of previous impairments

● **Effective date**
1 January 2024

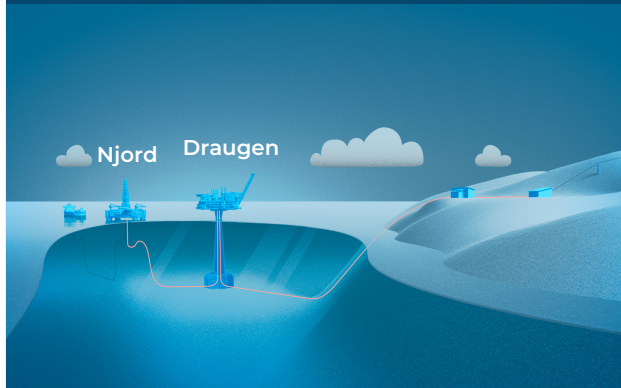
● **Transaction announced**
23 September 2024

● **Expected closing**
Q4 2024

*Subject to government approval

Development projects

Draugen Power from Shore



Key figures

- ~95% CO2e reduction*
- ~200,000 Sm3/day available for gas exports (gross)
- Improved production efficiency

- > Positioning Draugen for the future: low emissions and reduced cost extend economic lifetime
- > Robustness and visibility through fixed power price**
- > Reduced CO2 emissions and power need

2024

2025

2026

2027

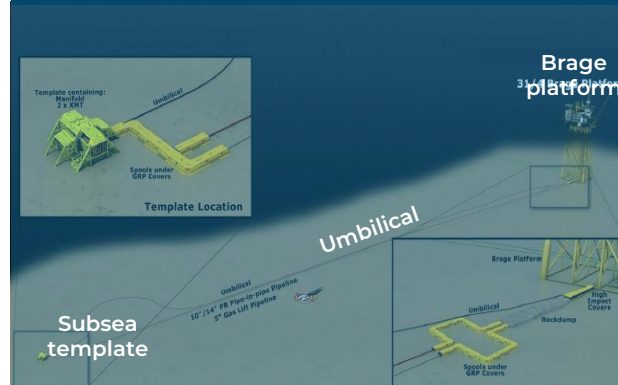
2028

Construction start

Installation phase

Electrified production

Bestla



Key figures

- 24 mboe recoverable reserves (gross)
- ~USD 40/boe breakeven
- ~6 bnNOK CAPEX (gross)

- > Tie-back to Brage with substantial volumes and attractive economics
- > Facilitating lifetime extension; enabling potential value from future projects
- > Reduced CO2 emissions and power need

2024

2025

2026

2027

Engineering start

Start offshore activities

Tie-in and commissioning

Production start

* Compared to emissions in reference year 2019

** Long-term contract for 75% of expected power usage at fixed price contract from 2028

Exploration activities

Building long-term value creation potential

Long-term exploration ambition:
Drill up to **four exploration wells** per year

Key priority:
Building **a portfolio** of prospects in the Norwegian Sea and North Sea basins

**Q4 24 / Q1 25
drilling targets:**

Arkenstone

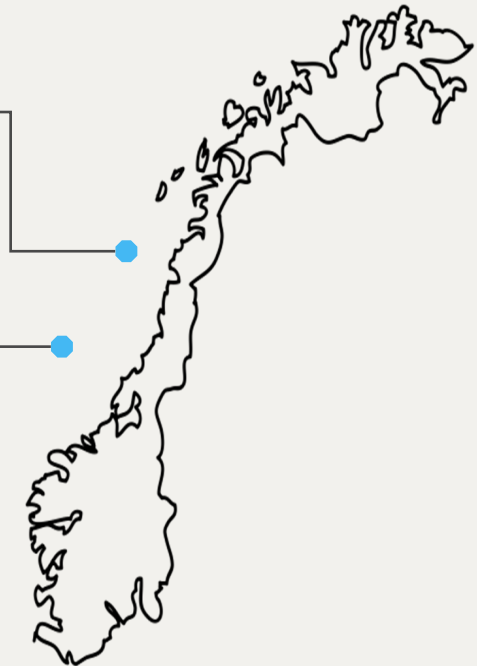
Operator: Equinor
20.0% WI

Mistral

Operator: Equinor
30.0% WI

Prince

Operator: OKEA
35.2% WI



Prospect

Prince

(Q4 2024)

Arkenstone

(Q4 2024)

Mistral

(Q4 2024/Q1 2025)

2025 onwards

Exploration and appraisal wells in the Prince prospect

High-risk/high-reward frontier well located in the Northern Norwegian Sea

Exploration well between Draugen and the Aasgard area

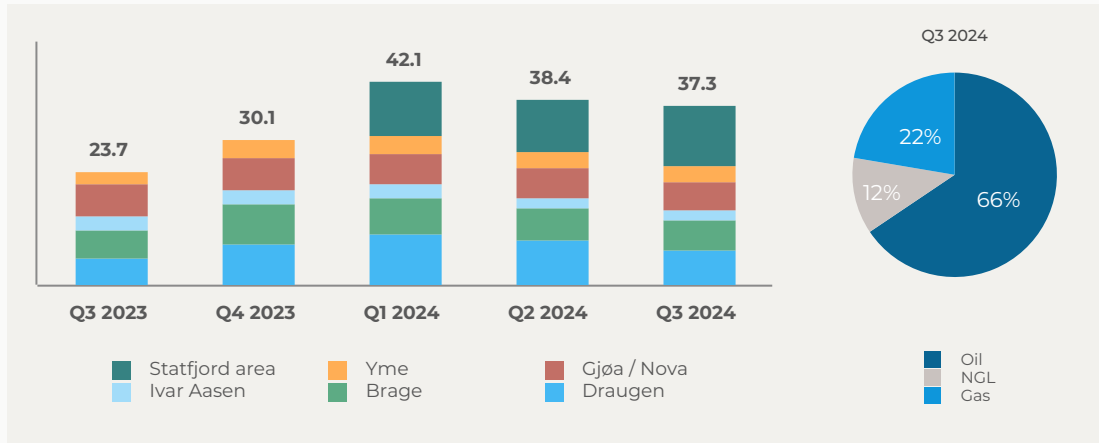
Ambition to drill up to four exploration wells per year

Financials

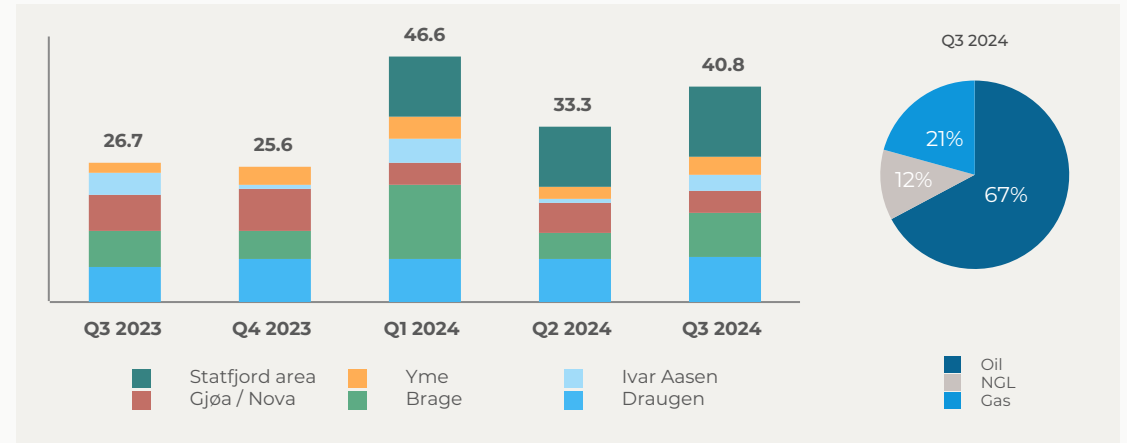


Production and sales

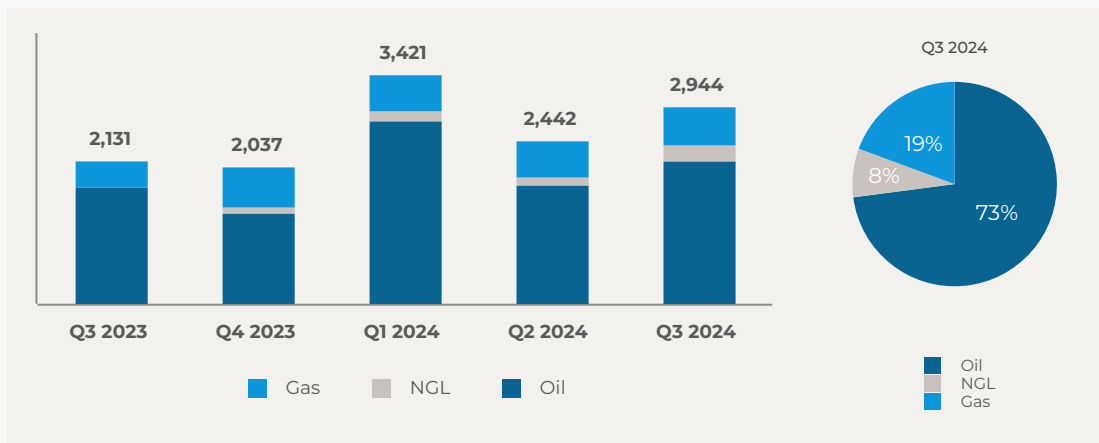
Production (kboepd)



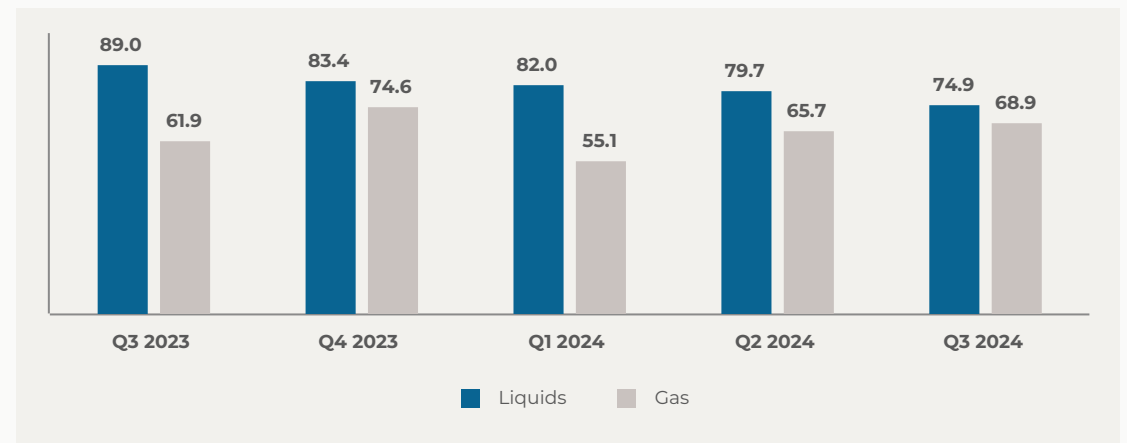
Sold volumes (kboepd)



Revenue by component (NOK million)

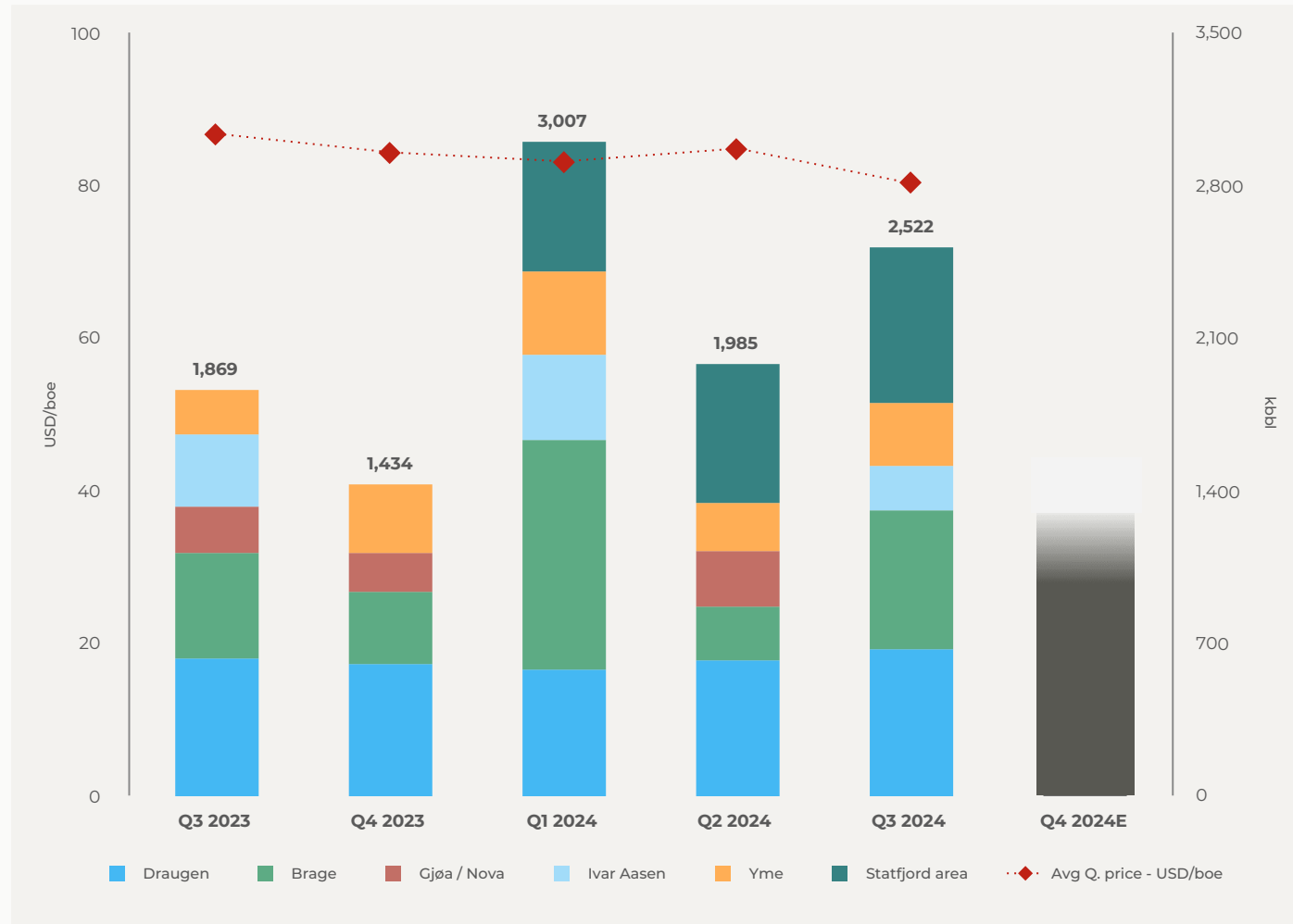


Realised prices (USD per boe)

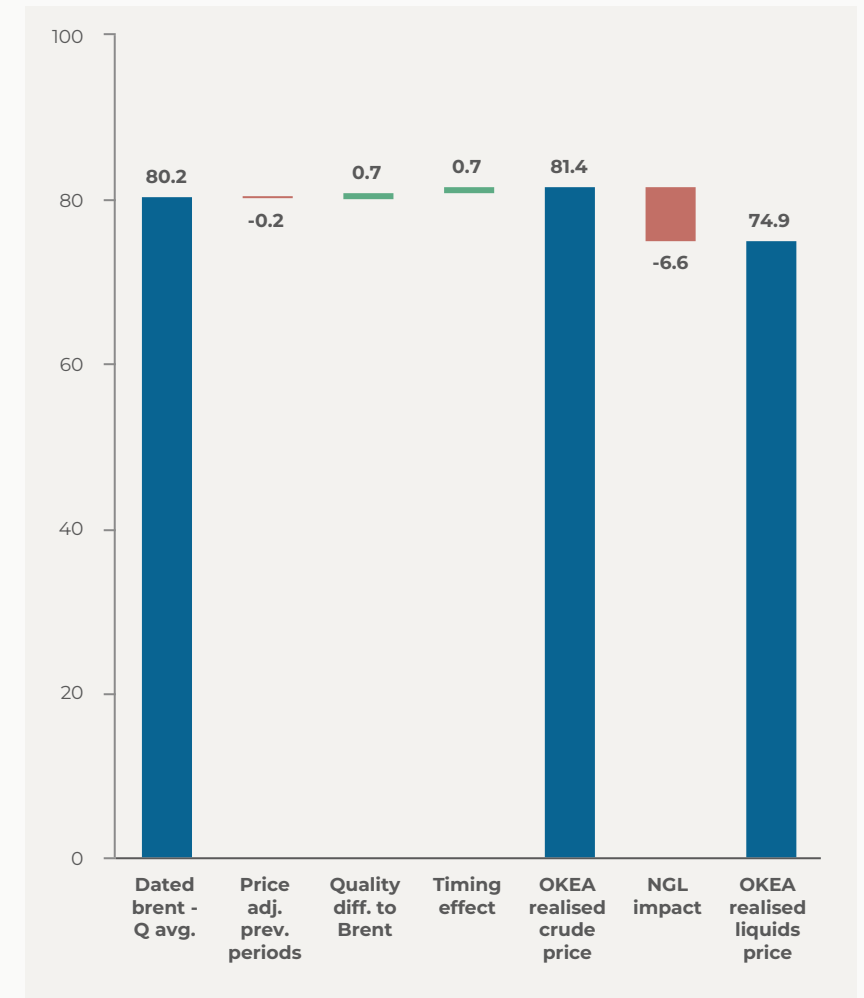


Market prices for crude, realised liquids price and lifted volumes

Lifted volumes last five quarters + Q4 2024E

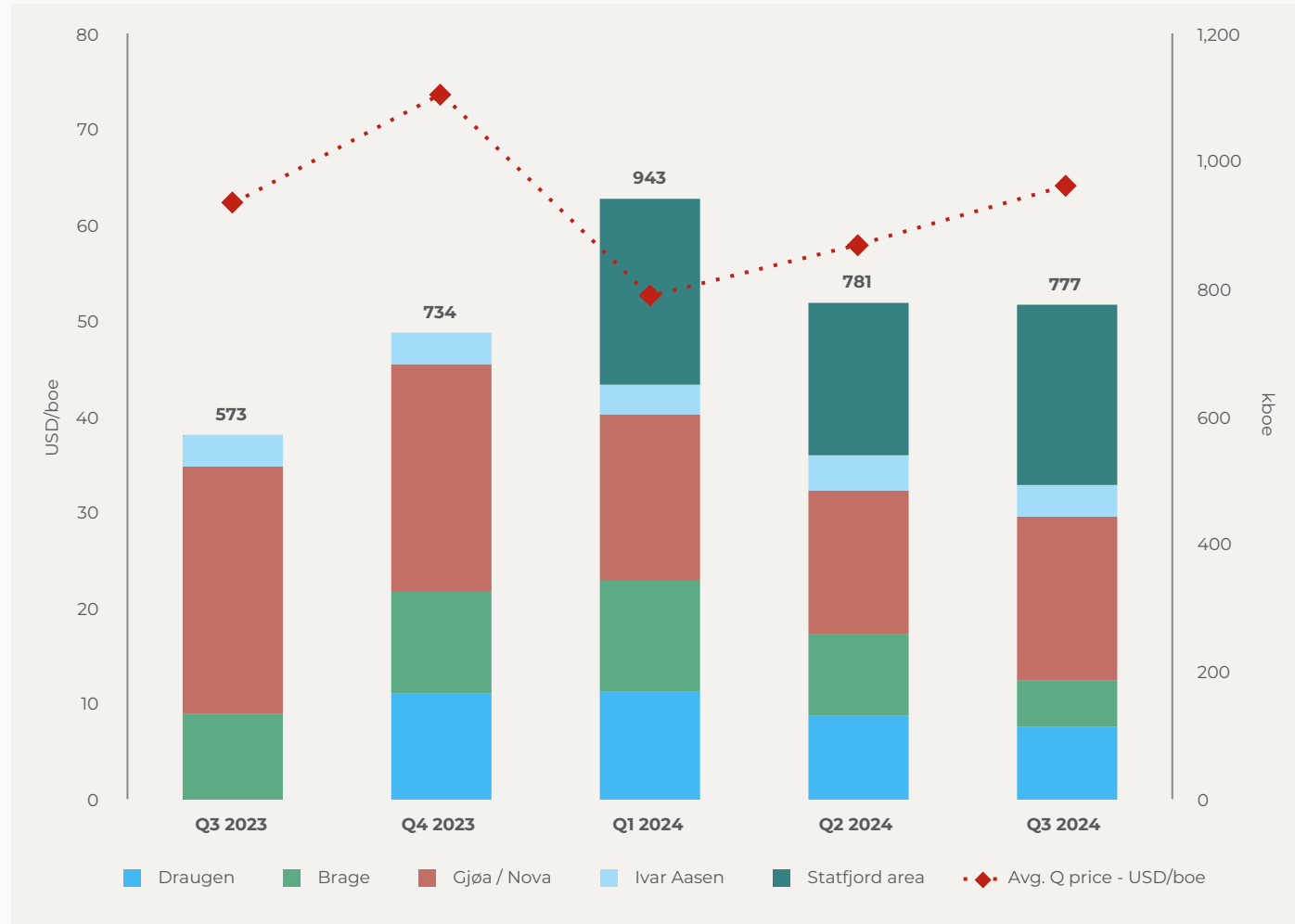


Lifted volumes vs Dated Brent



Gas market price and sold volumes

Sold volumes and average NBP gas market prices – last five quarters



Income statement

Q3 2024 figures

Amounts in NOK million	Q3 2024	Q2 2024	Q3 2023	YTD 2024	YTD 2023	2023
Total operating income	2,926	2,584	2,105	8,984	6,766	8,885
Production expenses	-790	-879	-465	-2,509	-1,478	-2,084
Changes in over/underlift positions and production inventory	-86	155	-224	-315	-892	-684
Depreciation, depletion and amortisation	-707	-714	-425	-2,198	-1,115	-1,695
Impairment (-) / reversal of impairment	871	-267	-475	446	-869	-2,745
Exploration, general and administrative expenses	-75	-243	-80	-409	-302	-360
Profit/ loss (-) from operating activities	2,138	637	436	3,998	2,111	1,316
Net financial items	28	-23	24	-139	-140	-217
Profit/ loss (-) before income tax	2,167	613	460	3,860	1,972	1,099
Taxes (-) / tax income (+)	-1,889	-526	-428	-3,545	-1,644	-2,034
Net profit/ loss (-)	277	87	32	315	327	-935
EBITDA	1,975	1,617	1,336	5,751	4,095	5,756

Q3 2024 comments

- > Operating income of NOK 2,926 million; NOK 2,944 million from sale of petroleum products
- > Production expenses of NOK 790 million; corresponding to 233 NOK/boe
- > Net impairment income of NOK 871 million
 - Reversal of previous impairments of NOK 1,185 (-144) million on Yme subject to the agreed terms of the sale
 - NOK 315 million in technical goodwill impairment of Statfjord area (294) and Ivar Aasen (21)
- > Exploration, general and administrative expenses of NOK 75 million
 - NOK 42 million in exploration expenses
 - NOK 33 million in SG&A expenses
- > Net financial income of NOK 28 million
 - NOK 86 million in net FX gain
 - NOK 58 million in net financial expenses
- > Income tax expense of NOK 1,889 million
 - Effective tax rate of 87%

Statement of financial position

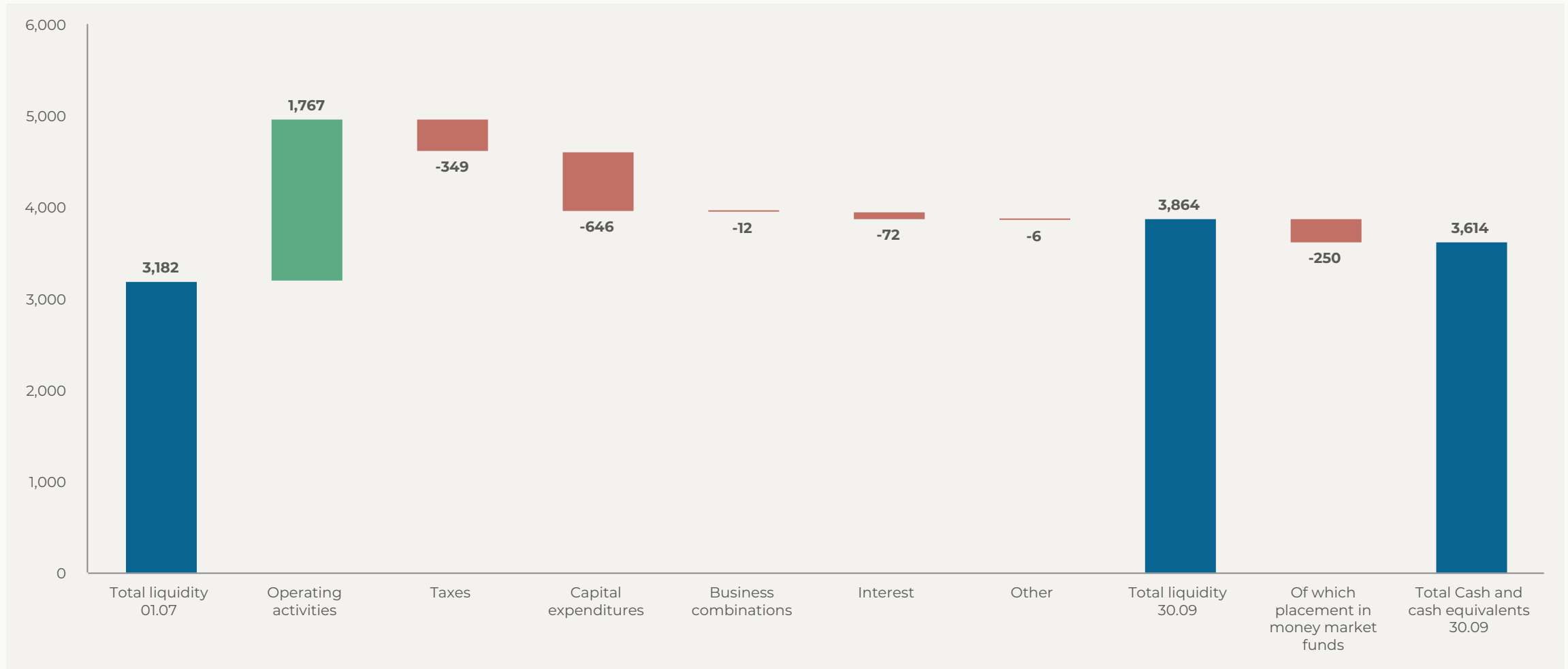
Q3 2024 figures

Amounts in NOK million	30.09.2024	30.06.2024	31.12.2023	30.09.2023
ASSETS				
Goodwill	1,613	1,927	2,295	1,292
Oil and gas properties	6,795	7,166	7,199	6,001
Asset retirement reimbursement right	4,268	4,179	4,163	3,395
Trade and other receivables	1,821	1,858	1,211	1,689
Cash and cash equivalents	3,614	3,182	2,301	2,346
Other assets	1,174	1,023	1,331	1,073
Assets classified as held for sale	1,938	0	0	0
TOTAL ASSETS	21,223	19,336	18,500	15,796
Total equity	1,041	764	726	2,094
Liabilities				
Asset retirement obligations	9,267	9,383	9,535	5,554
Deferred tax liabilities	1,022	895	888	2,415
Interest bearing bond loans	2,583	2,614	1,246	1,300
Other interest bearing liabilities	0	472	477	511
Trade and other payables	2,824	3,207	2,997	1,777
Income tax payable	1,929	1,580	2,141	1,748
Other liabilities	441	421	489	397
Liabilities directly associated with assets classified as held for sale	2,115	0	0	0
Total liabilities	20,182	18,573	17,774	13,702
TOTAL EQUITY AND LIABILITIES	21,223	19,336	18,500	15,796

Q3 2024 comments

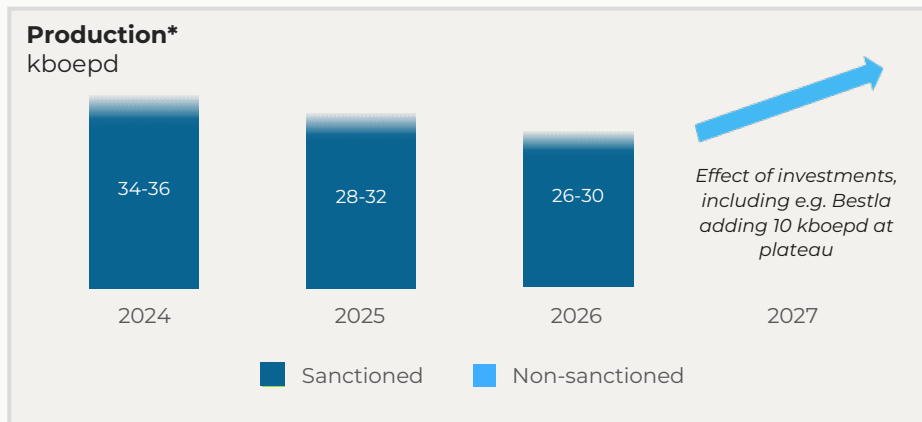
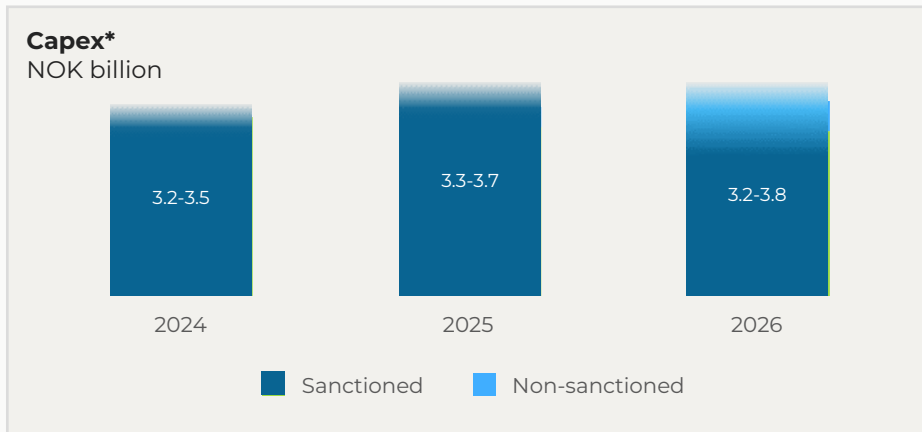
- > Goodwill of NOK 1,613 million; of which NOK 342 million relates to technical goodwill at the Statfjord area and NOK 165 million relates to Ivar Aasen
- > Oil & gas properties of NOK 6,795 million
- > Cash and cash equivalents of NOK 3,614 million, in addition NOK 251 million invested in money-market funds classified as *other assets*
- > Interest-bearing bond loans of NOK 2,583 million; comprising OKEA04 and OKEA05
- > NOK 454 million in other interest-bearing liabilities relating to Yme reclassified to *held for sale*
- > Income tax payable of NOK 1,929 million
- > Asset retirement obligation of NOK 9,267 million; partly offset by the asset retirement reimbursement right of NOK 4,268 million
- > Asset classified as held for sale of NOK 1,938 (0) million and liabilities directly associates with assets classified as held for sale of NOK 2,115 (0) million relate to the Yme asset.

Cash development Q3 2024



Investing in profitable growth opportunities

...while ensuring that capital discipline is maintained by strict investment decision hurdles



*Excluding Yme

Investing in profitable growth, with projects offering short payback at conservative price assumptions and low breakeven

Optionality to scale/phase investment program, including well programs with short lead times and flexibility to optimise phasing

Safeguarding capital discipline by application of strict project screening criteria and active portfolio management across assets



OKEA's portfolio of investment opportunities comes with short payback and attractive economics

Outlook / Guidance

Production

Production guidance for 2024 of 37 – 39 kboepd

- > Guidance range somewhat narrowed from 36 – 40 kboepd
- > Production guidance for 2024 includes approx. 3 kboepd relating to Yme

Production guidance for 2025 of 28 – 32 kboepd

Production guidance for 2026 of 26 – 30 kboepd

Capex

Capex guidance for 2024 of NOK 3.2 – 3.5 billion

- > Guidance range somewhat narrowed from NOK 3.2 – 3.6 billion
- > Capex guidance for 2024 includes approx. NOK 140 million relating to Yme

Capex guidance for 2025 of NOK 3.3 – 3.7 billion

Capex guidance for 2026 of NOK 3.2 – 3.8 billion

- > Capex guidance does not include capitalised interest and exploration spending

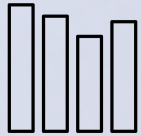
Other

- > Two **tax installments** due in the fourth quarter, each amounting to NOK 349 million
- > Planning to drill **up to four exploration wells** per year; focus on building a portfolio of prospects in the Norwegian Sea and North Sea basins
 - Three wells scheduled for start of drilling in Q4 24

Summary



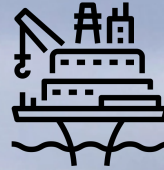
Summary



Continued strong production offsetting planned maintenance



Realising value from sale of non-core Yme asset



Strong net liquidity position of NOK 1,282 million



Development projects progressing well



Three exploration wells scheduled for start of drilling in Q4 24



Build and mature portfolio of investment opportunities



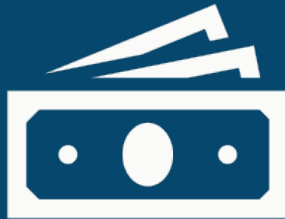
Q&A



Growth



Value
creation



Capital
discipline

General and disclaimer

This presentation is prepared solely for information purposes, and does not constitute or form part of, and is not prepared or made in connection with, an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities. Investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigation and appraisal of the business and financial condition of such company and the nature of the securities. The contents of this presentation have not been independently verified, and no reliance should be placed for any purposes on the information contained in this presentation or on its completeness, accuracy or fairness.

The presentation speaks as of the date sets out on its cover, and the information herein remains subject to change.

Certain statements and information included in this presentation constitutes "forward-looking information" and relates to future events, including the Company's future performance, business prospects or opportunities. Forward-looking information is generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions and could include, but is not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration, development and production activities. Forward-looking information involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

Such risks include but are not limited to operational risks (including exploration and development risks), production costs, availability of equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. Neither the Company or any officers or employees of the Company provides any warranty or other assurance that the assumptions underlying such forward-looking information are free from errors, nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecasted developments and activities. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable law.

This presentation contains non-IFRS measures and ratios that are not required by, or presented in accordance with IFRS. These non-IFRS measures and ratios may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. Non-IFRS measures and ratios are not measurements of our performance or liquidity under IFRS and should not be considered as alternatives to operating profit or profit from continuing operations or any other performance measures derived in accordance with IFRS or as alternatives to cash flow from operating, investing or financing activities.

The Company's securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), and are offered and sold only outside the United States in accordance with an exemption from registration provided by Regulation S of the US Securities Act.

The presentation is subject to Norwegian law.