



# › Presentation of first quarter 2021

OKEA ASA

4 May 2021

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# Q1 Highlights

## Operations

- No serious incidents at Draugen, Covid-19 situation managed
- Production 16 557 boepd

## Financials

- Revenues from oil and gas NOK 536 million
- EBITDA NOK 240 million
- Net profit NOK 23 million
- Cash position increased by NOK 107 million to NOK 978 million

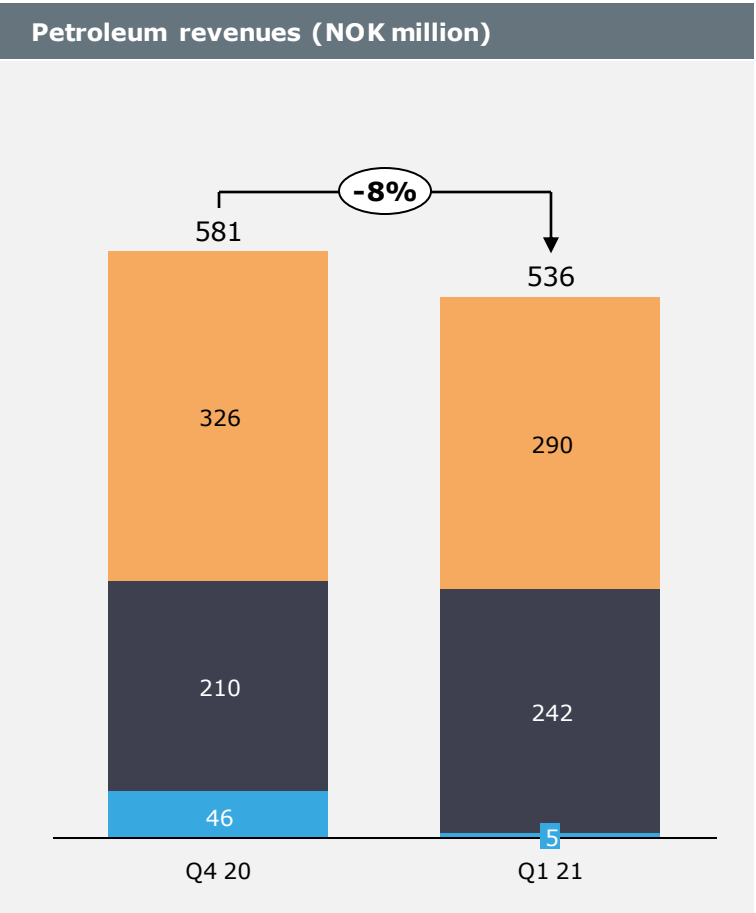
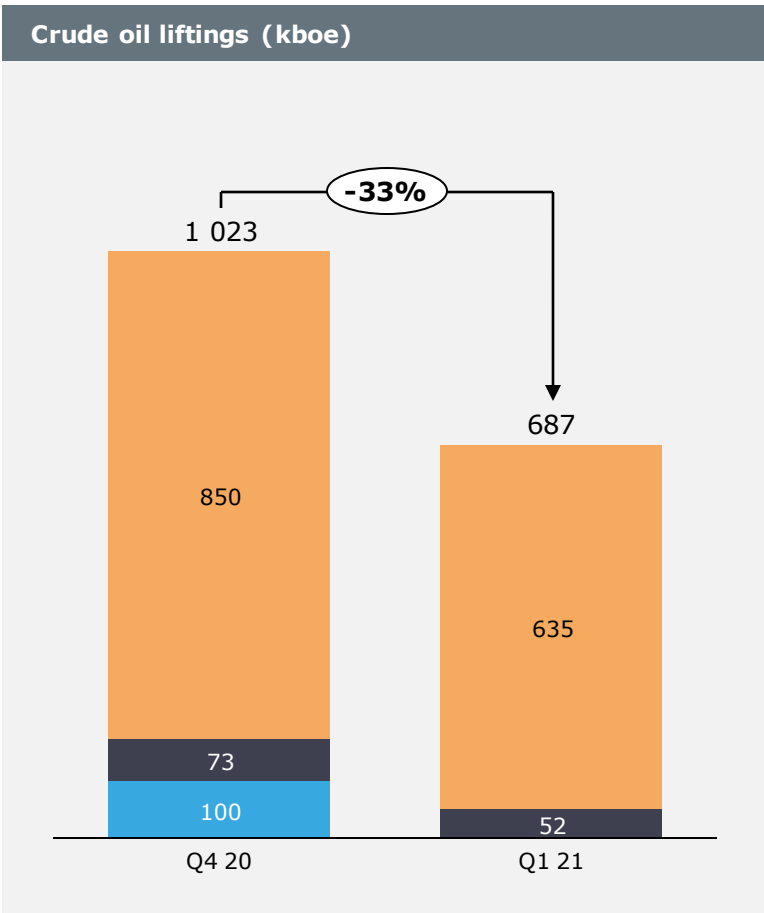
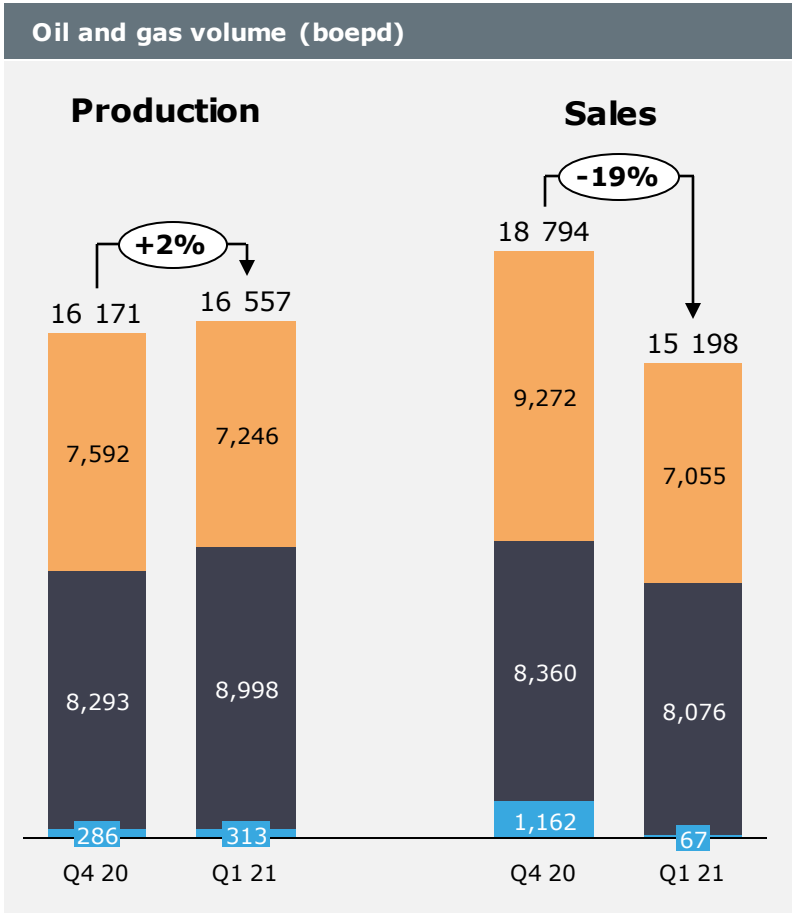
## Positioned for growth

- Yme H2 21 production start-up
- FID Hasselmus scheduled for Q2 - first tie-in to Draugen
- Ilder exploration well currently drilling - Ginny planned for H2
- Continuing to pursue inorganic growth opportunities



# Oil and gas production, sales and revenues

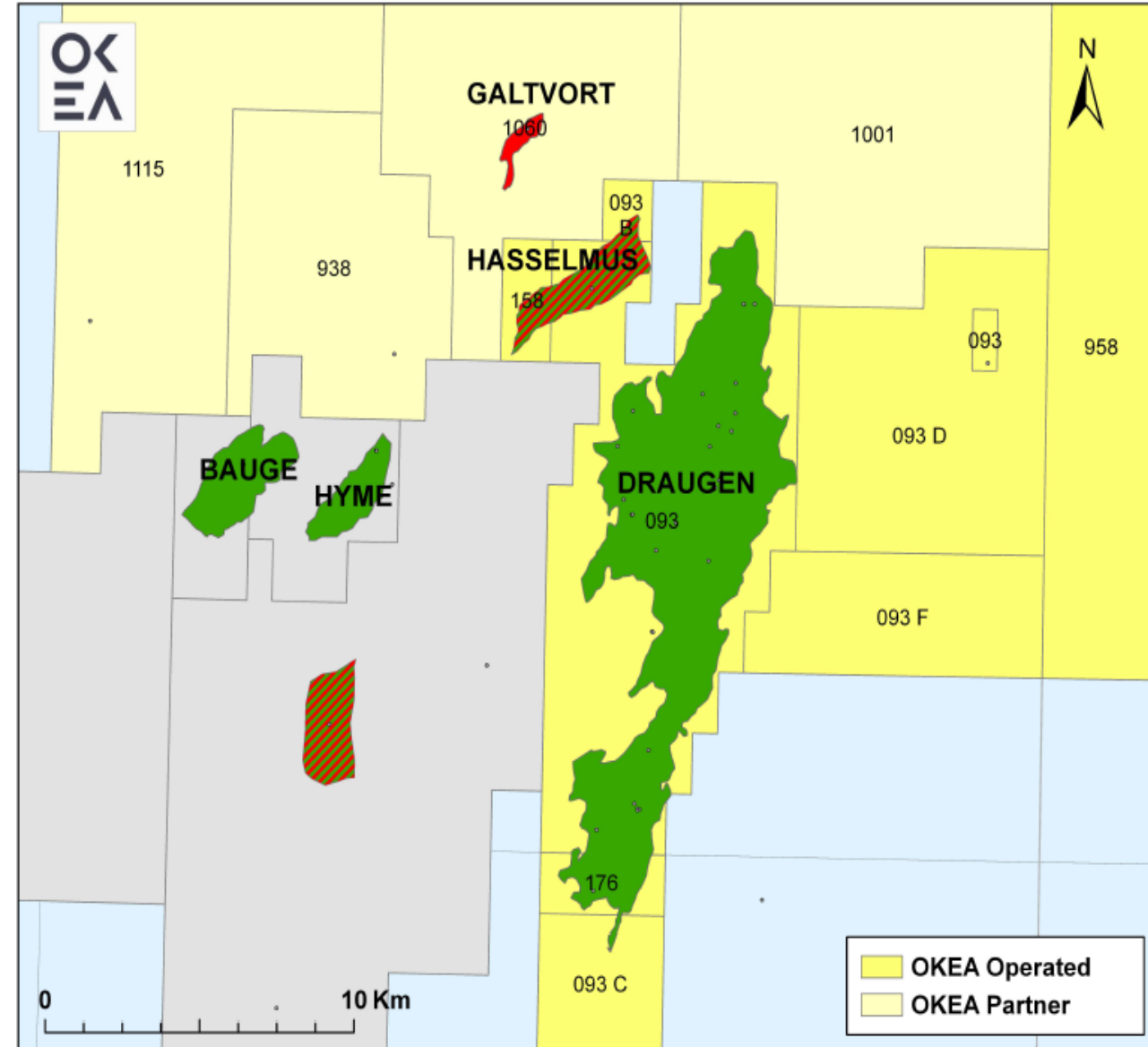
Decrease in revenue mainly due to lower lifted volumes, but effect partly offset by higher market prices





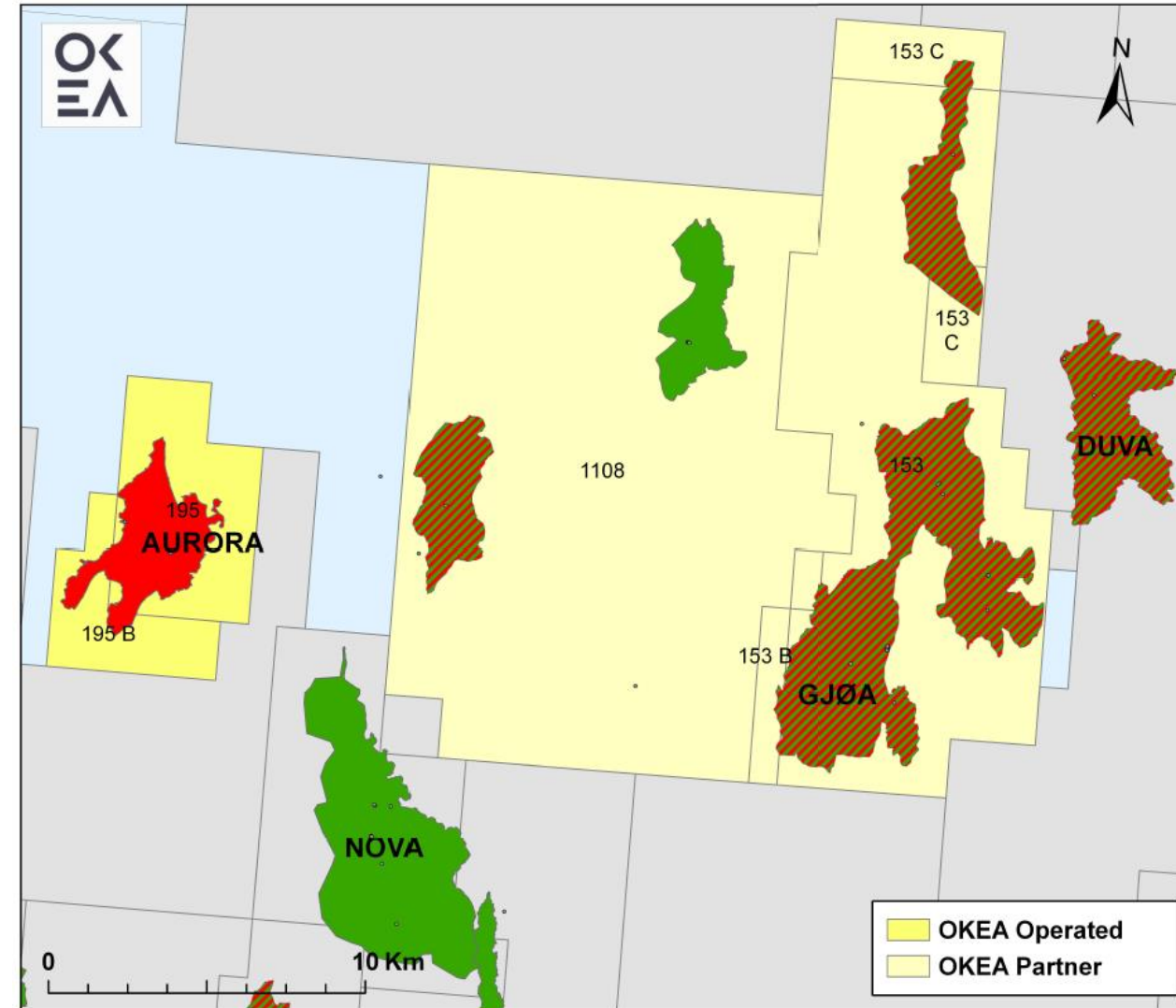
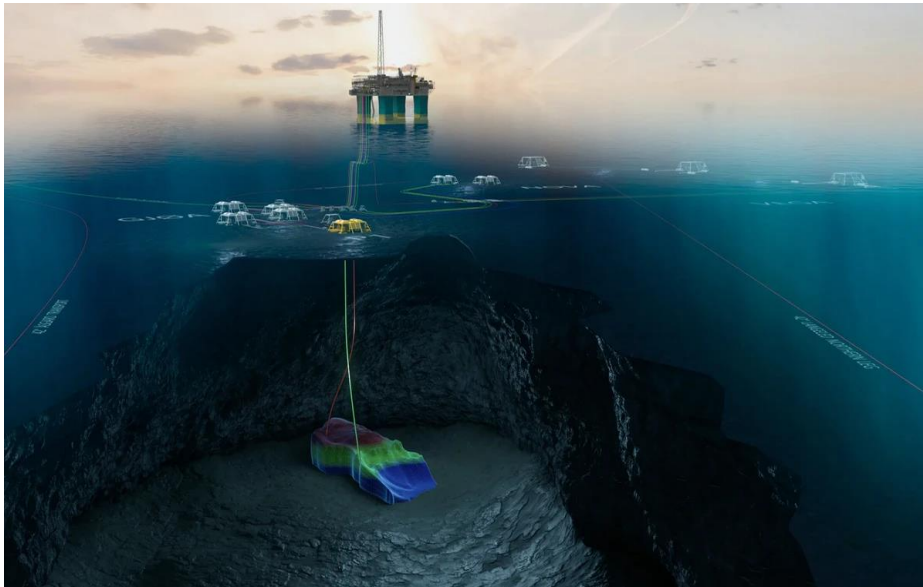
# Draugen - WI 44.56%

- Excellent operating performance – 97% reliability
- Gas imports from Åsgard Transport System has improved the emissions from the field
- FID on Hasselmus in Q2, a gas field tie-back to Draugen with first gas planned for 2023
- Ambition to increase oil recovery to 70% and extend field lifetime to 2040; a doubling of remaining reserves
- High CO<sub>2</sub> tax incentivises power-from-shore energy solution; project cooperation with Equinor



## Gjøa – WI 12%

- Two new wells in the P1 segment onstream in February
- 30 days shut down in Q2 and 15 days in Q3 - including tie-in of Duva and Nova
- OKEA compensated for deferred production when tie-in projects come onstream in addition to tariff payments
- Potential tie-in of the OKEA-operated Aurora discovery





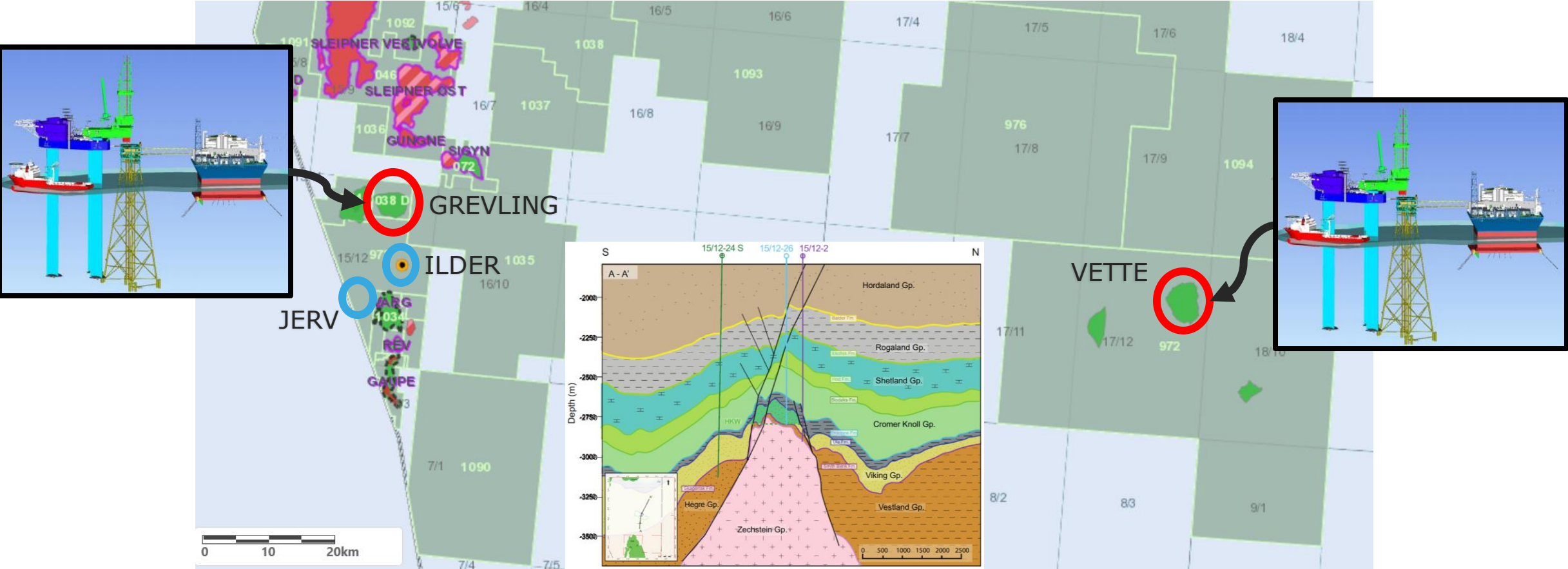
# Yme New Development – WI 15%

- The production jack-up Maersk Inspirer installed at location last December
- Hook-up, commissioning and preparation for production start-up progressing as planned
- Production start expected in H2 21
- Production 7 500 boepd net to OKEA at plateau - the first-year average 4 900 boepd net to OKEA



# Ilder exploration well being drilled; non-commercial gas discovery made on Jerv

Serial production alternative for Grevling/Vette under maturation



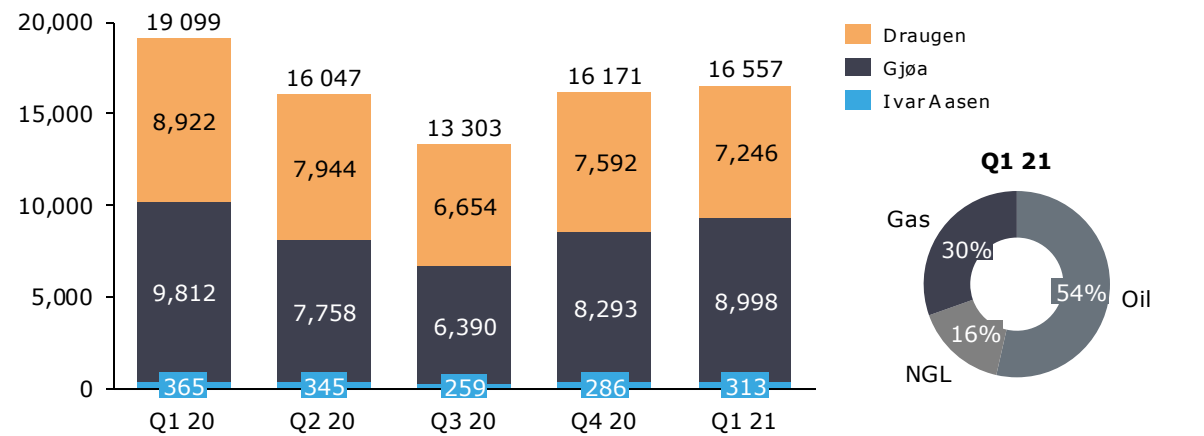




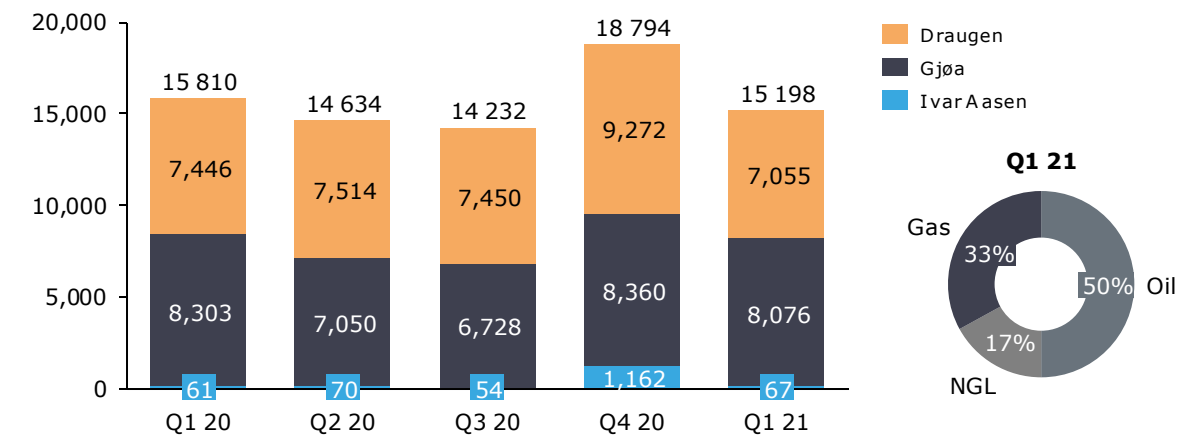
## Financials

# Oil and gas production, sales and revenues per asset

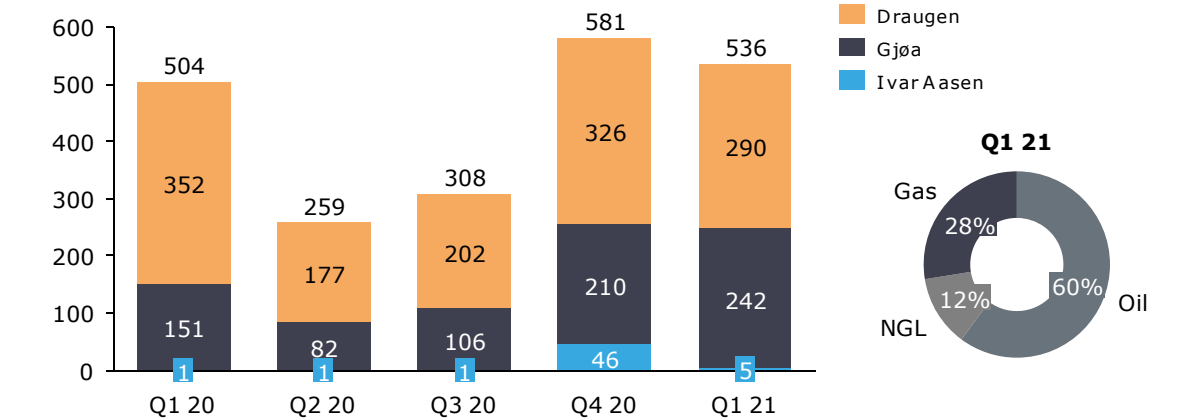
Production (boepd)



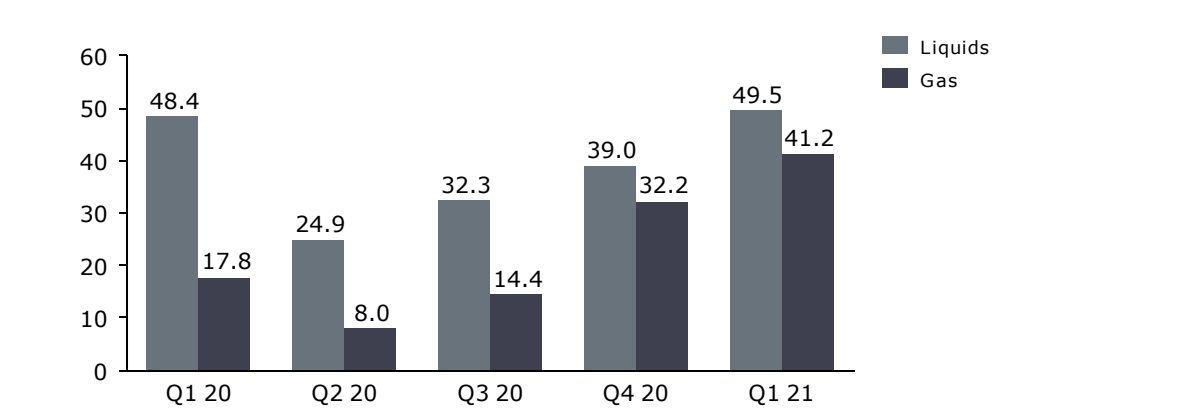
Sold volumes (boepd)



Revenue (NOK million)

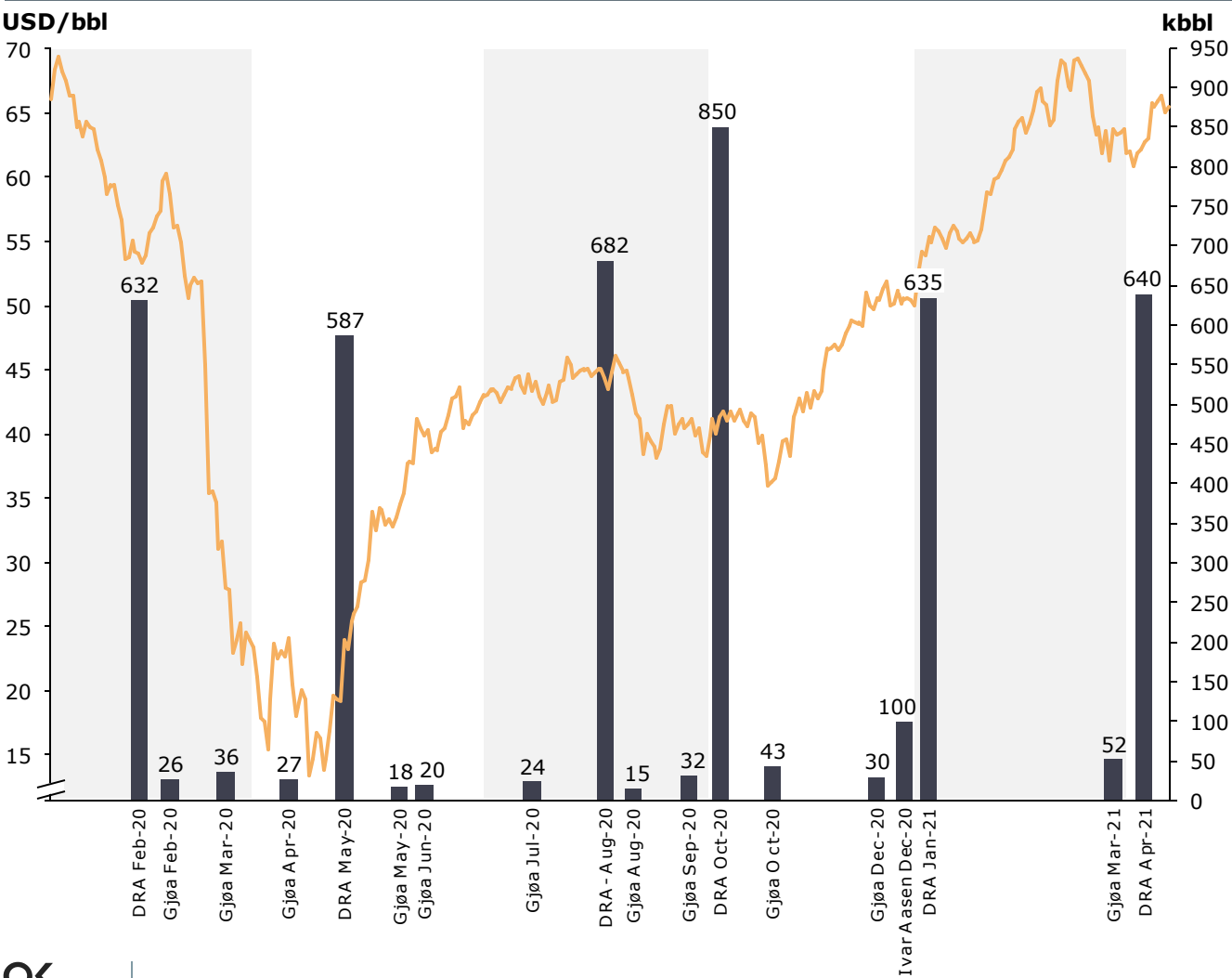


Realised price (liquids and gas USD per boe)

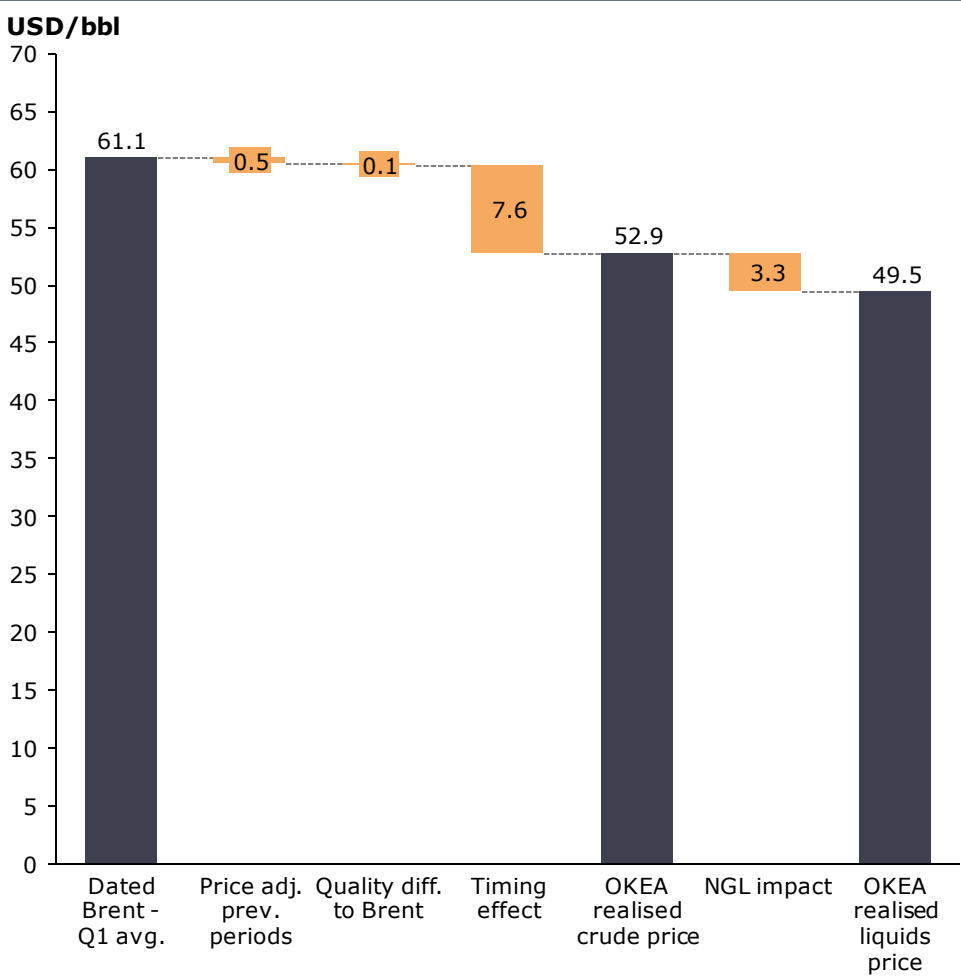


# Lifted volumes and realised liquids prices versus vs Dated Brent

Lifted volumes vs Dated Brent - 2020/2021 YTD



Realised liquids prices vs Dated Brent - Q1 21





# Income statement

Figures in NOK million	Q1 21	Q4 20	Q1 20
<b>Total operating income</b>	524	584	551
Production expenses	-176	-189	-167
Changes in over/underlift positions and inventory	17	-74	-33
Depreciation	-172	-179	-182
Impairment	0	117	-634
Exploration, general and adm. expenses	-125	-91	-38
<b>Profit / loss (-) from operating activities</b>	<b>68</b>	<b>167</b>	<b>-503</b>
Net financial items	-5	243	-423
<b>Profit / loss (-) before income tax</b>	<b>63</b>	<b>410</b>	<b>-926</b>
Income taxes	-40	-227	142
<b>Net profit / loss (-)</b>	<b>23</b>	<b>182</b>	<b>-785</b>
<b>EBITDA</b>	<b>240</b>	<b>229</b>	<b>312</b>

## Q1 21 comments

### Operating income:

- Lower sold volumes partly offset by higher realised prices
- Net loss on hedging activities NOK 31 million

### Production expenses:

- NOK/boe of 102 compared to 110 in Q4 20

### Impairment:

- No impairment or reversal of impairment

### Exploration, general and adm. expenses:

- Jerv non-commercial discovery expensed NOK 93 million
- Field evaluation activities mainly relating to Aurora and Grevling/Vette

### Income taxes:

- Effective tax rate of 64%; deviation from 78% due to financial items and uplift

# Statement of financial position

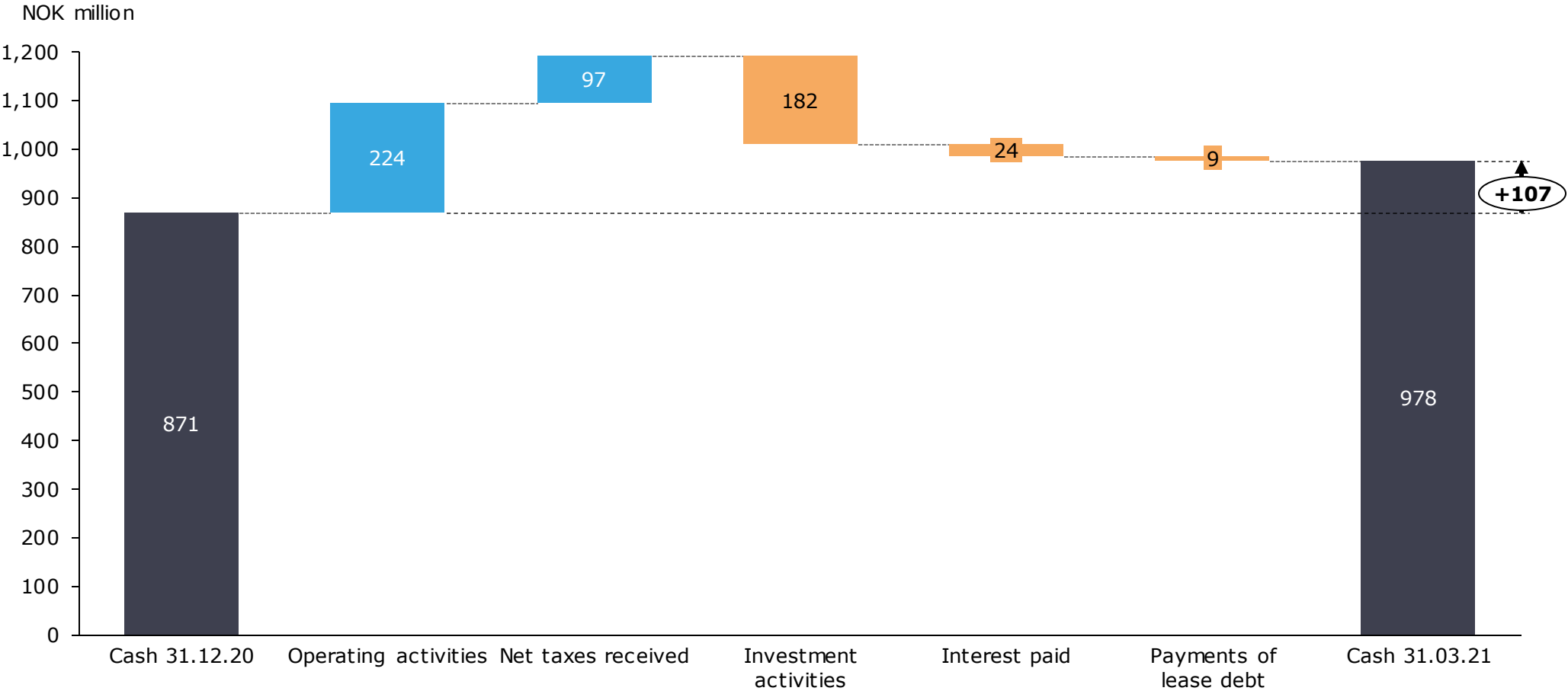
Figures in NOK million

<b>Assets</b>	<b>31.03.2021</b>	<b>31.12.2020</b>
Goodwill	769	769
Oil and gas properties	3 807	3 758
Other non-current assets	3 049	3 029
Trade and other receivables	523	514
Tax refund, current	211	296
Cash and cash equivalents	978	871
Other assets	541	540
<b>Total assets</b>	<b>9 878</b>	<b>9 776</b>
<b>Total equity</b>	<b>1 113</b>	<b>1 083</b>
<b>Liabilities</b>		
Asset retirement obligations	4 221	4 200
Deferred tax liabilities	999	941
Interest-bearing loans and borrowings	2 402	2 400
Trade and other payables	898	890
Income tax payable	14	14
Other liabilities	231	248
<b>Total liabilities</b>	<b>8 765</b>	<b>8 694</b>
<b>Total equity and liabilities</b>	<b>9 878</b>	<b>9 776</b>

## Q1 21 comments

- Cash and cash equivalents NOK 978 million
- Current tax refund NOK 211 million
- Interest-bearing debt of NOK 2 402 million
- Asset retirement obligation offset by non-current receivable from Shell

# Cash development Q1 21



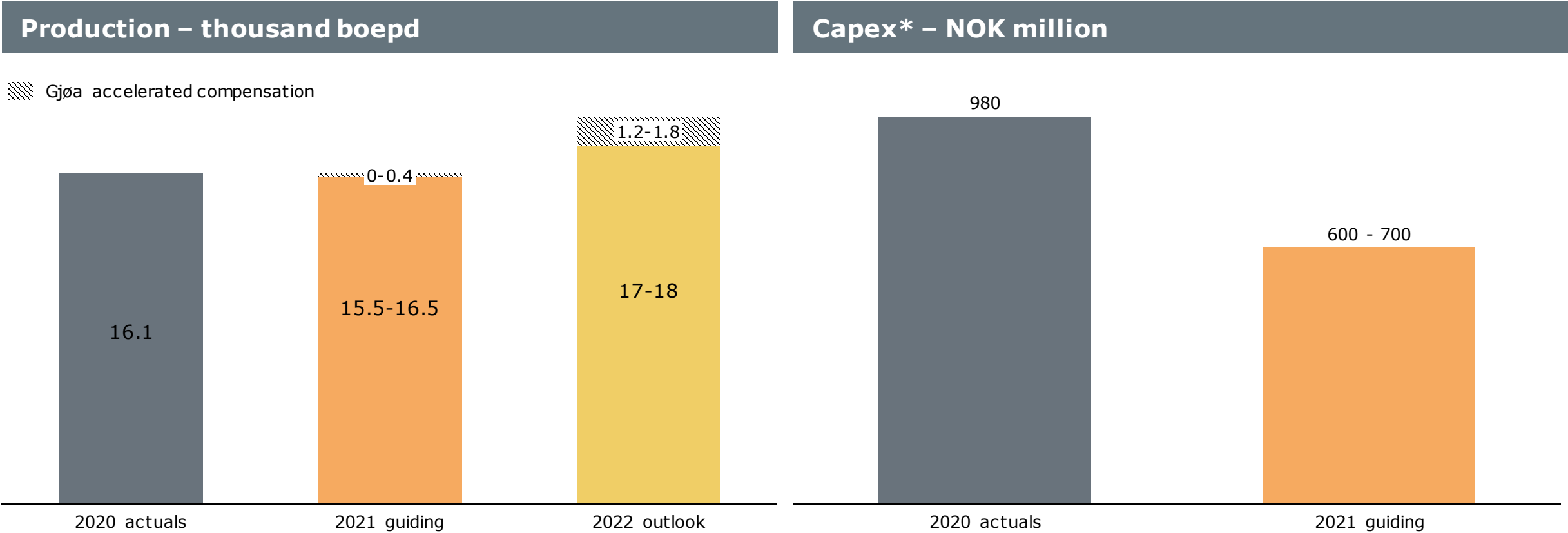




Outlook

# Guiding on production & capex

OKEA to receive compensation for deferred volumes on Gjølå for shut-downs related to Duva/Nova tie-ins



- Gjølå accelerated compensation volumes from the Duva and Nova tie-ins include interest of 8% p.a. from the period volumes were deferred
- Deferred volumes excluding interest element to be redelivered to Duva and Nova over remaining production period at Gjølå

# Key milestones and deliveries 2021

- Start-up Yme in H2 – stepping-up OKEA production
- FID for Hasselmus development in Q2
- Ilder currently drilling, Ginny exploration well scheduled for H2
- Possible appraisal well at Aurora to determine size and commerciality
- Concept selection (DG2) for Vette and Grevling in H2
- Maturing a larger license portfolio following APA 2020 awards in Q1
  - 8 new discoveries added to portfolio
  - 15+ additional exploration prospects
- Inorganic growth opportunities always on the agenda





# New OKEA CEO from 1 June - Svein J. Liknes

Founder and CEO Erik Haugane to step down but remain as advisor to OKEA Board of Directors

Svein J. Liknes and Erik Haugane



Svein J. Liknes new OKEA CEO from June 1

- Svein J. Liknes (born 1972) is the new CEO from June 1
- He comes from Aker BP where he held the role as VP Special Projects & Due Diligence
- He previously served in Aker Energy both as acting CEO and Head of Operations
- Liknes also has experience as SVP Operations & Asset Development in Aker BP and Det norske
- Mr. Liknes has background from the Norwegian Armed Forces and studied Nautical Science at the University of Stavanger
- The founder and current CEO Erik Haugane will retire and remain as advisor to OKEA Board of Directors



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EVA

