



2021

Q1 Quarterly
report



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First quarter 2021 summary

Highlights

- No serious incidents at operated assets
- Continued managing the Covid-19 situation without production disruptions
- Two new wells in Gjøa P1 segment onstream in February
- Non-commercial discovery Jerv exploration well
- Production of 16,557 (16,171) boepd
- Operating income of NOK 524 (584) million
- Profit from operating activities of NOK 68 (167) million
- Profit / loss (-) before tax of NOK 63 (410) million
- Net profit / loss (-) of NOK 23 (182) million
- Cash flow from operations of NOK 322 (272) million

(Amounts in parentheses refer to previous quarter)

Financial and operational summary

	Unit	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Total operating income	MNOK	524	584	551	1,730
EBITDA ¹⁾	MNOK	240	229	312	867
EBITDAX ¹⁾	MNOK	349	272	340	964
Profit/loss (-) before income tax	MNOK	63	410	-926	-1,231
Net profit / loss (-)	MNOK	23	182	-785	-603
Net cash flow from operations	MNOK	322	272	45	641
Net cash flow from investments	MNOK	-182	-188	-333	-1,043
Net cash flow from financing activities	MNOK	-33	-96	-116	-390
Net interest-bearing debt ¹⁾	MNOK	1,424	1,529	1,752	1,529
Net production	Boepd ²⁾	16,557	16,171	19,099	16,147
Over/underlift/inventory adjustments	Boepd ²⁾	-1,359	2,623	-3,289	-276
Net sold volume	Boepd ²⁾	15,198	18,794	15,810	15,871
Production expense per boe ¹⁾	NOK/boe	101.8	110.4	87.3	104.8
Realised liquids price	USD/boe	49.5	39.0	48.4	36.3
Realised gas price	USD/scm	0.24	0.19	0.10	0.11

¹⁾ Definitions of alternative performance measures are available on page 28 of this report

²⁾ Boepd is defined as barrels of oil equivalents per day

Financial review

Statement of comprehensive income

Total operating income in the first quarter amounted to NOK 524 (584) million, whereof NOK 536 (581) million related to revenue from oil and gas sales. Sold volumes were 361 thousand boe lower than previous quarter mainly due to a larger lift on Draugen and the first volumes allocated to OKEA since mid-2018 on Ivar Aasen in the previous quarter. Realised prices for liquids were USD 49.5 (39.0) per boe and realised gas prices were USD 0.24 (0.19) per standard cubic meter (scm).

Other operating income / loss (-) amounted to NOK -12 (3) million consisting of tariff income at Gja of NOK 13 (16) million, income from joint utilisation of logistics resources of NOK 6 (2) million, offset by loss from oil hedging activities of NOK -31 (-15) million.

Production expenses amounted to NOK 176 (189) million, corresponding to NOK 101.8 (110.4) per boe. Produced volumes net to OKEA were 16,557 (16,171) boepd. The increase in produced volumes compared to previous quarter was mainly due to production start at Gja P1 on 23 February.

Changes in over-/underlift positions and production inventory amounted to NOK 17 (-74) million. Produced volumes exceeded sold volumes by 1,359 boepd in the quarter, while sold volumes exceeded produced volumes by 2,623 boepd previous quarter.

Exploration and evaluation expenses amounted to NOK 109 (43) million, whereof NOK 93 million related to the exploration well Jerv in PL973 which was concluded a non-commercial discovery on 23 March. In addition, field evaluation activities on Aurora and Grevling/Vette amounted to NOK 10 million for the quarter. Exploration and evaluation expenses previous quarter mainly consisted of field evaluation activities for Hasselmuus of NOK 10 million and seismic data purchases of NOK 16 million.

General and administrative expenses amounted to NOK 16 (48) million and represent OKEA's share of costs after allocation to licence activities. The decrease was mainly due to an annual recalculation of distributable costs including costs related to OKEA's employee share incentive program in the previous quarter.

Net financial items amounted to NOK -5 (243) million and mainly comprise NOK -12 (-23) million in interest expense and net foreign exchange gain of NOK 10 (268) million due to NOK strengthening by 10% against USD in the previous quarter while remaining stable in the current quarter.

Profit / loss (-) before tax amounted to NOK 63 (410) million for the quarter. The lower profit was mainly due to the positive income effects of reversal of impairment NOK 117 million and net exchange rate gain of NOK 268 million in previous quarter not repeated in the current quarter in addition to expensing of the exploration well Jerv of NOK 93 million in the current quarter.

Tax expenses (-) / tax income (+) amounted to NOK -40 (-227) million representing an effective tax rate of 64% (55%). The deviation from the expected 78% was mainly due to the positive effect of uplift, partly offset by lower tax rate on onshore and financial items.

Net profit / loss (-) for the period was NOK 23 (182) million. Earnings per share were NOK 0.22 (1.78).

Statement of financial position

Goodwill amounted to NOK 769 (769) million consisting of NOK 606 (606) million in technical goodwill and NOK 163 (163) million in ordinary goodwill.

Oil and gas properties was NOK 3,807 (3,758) million at the end of the quarter. The increase mainly relates to investments in Yme New Development project and Gjøa P1 partly offset by depreciation from producing assets.

Right-of-use assets amounted to NOK 174 (179) million and mainly relate to logistical resources on operated assets and lease of offices.

Other non-current assets were NOK 3,049 (3,029) million which relate to Shell's obligation to cover the decommissioning costs of Draugen and Gjøa.

Total tax refund amounted to NOK 223 (296) million, split into non-current refund of NOK 12 (0) million and current refund of NOK 211 (296) million.

Cash and cash equivalents amounted to NOK 978 (871) million. The increase from previous quarter was mainly due to net cash flow from operating activities exceeding cash used in investment activities and interest payments as further outlined in the section "statement of cash flows".

Spare parts, equipment and inventory amounted to NOK 228 (229) million whereof NOK 114 (117) million related to oil inventory at Draugen.

Equity amounted to NOK 1,113 (1,083) million, corresponding to an equity ratio of 11% (11%). The increase from previous quarter was due to net profit in the period and share based payment in relation to the company's long term incentive plan.

Provisions for asset retirement obligations amounted to NOK 4,221 (4,200) million. The obligation was partly offset by 3,049 (3,029) million in asset retirement receivable as described in the section "non-current assets".

Interest-bearing loans and borrowings amounted to NOK 2,402 (2,400) million, consisting of the remaining outstanding amounts on the OKEA02 and OKEA03 bonds.

The lease liability relating to IFRS 16 was split into a non-current liability of NOK 138 (144) million and a current liability of NOK 36 (35) million and represents the liability of the right-of-use assets as described above.

Trade and other payables amounted to NOK 898 (890) million and mainly relate to working capital from joint licences, prepayments and accrued expenses.

Statement of cash flows

Net cash flows from operating activities amounted to NOK 322 (272) million, whereof NOK 97 (164) million was net taxes received. The increase from previous quarter was mainly due to increased realised prices on both liquids and gas.

Net cash flows used in investment activities amounted to NOK -182 (-188) million of which investment in oil and gas properties amounted to NOK -175 (-164) million mainly relating to the Yme New Development project and the Gjøa P1 project.

Net cash flows used in financing activities amounted to NOK -33 (-96) million, of which interest paid amounted to NOK -24 (-71) million. The reduction from previous quarter was mainly due to interest payments of the OKEA03 bond loan being payable semi-annually in December and June.

Financial risk management

OKEA uses derivative financial instruments to manage exposures to fluctuations in commodity prices. At the end of the quarter, OKEA had outstanding put options for 150 000 barrels of oil (bbl) at a strike price of 40 USD per bbl with expiration in April 2021 and put options for 150 000 barrels of oil at a strike price of 50 USD per bbl with expiration in July 2021.

Operational review

Net production to OKEA was 16,557 (16,171) boepd. The increase compared to previous quarter was mainly due to production start from the P1 wells at Gjølå in February partly offset by lower production from Draugen as outlined in further detail below.

	Unit	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Draugen – production reliability⁴	%	97	99	98	99
Draugen – production availability⁵	%	96	98	97	90
Gjølå – production reliability	%	96	99	97	99
Gjølå – production availability	%	99	95	98	86
Ivar Aasen – production availability	%	95	95	99	94
Draugen – production	Boepd	7,246	7,592	8,922	7,774
Gjølå – production	Boepd	8,998	8,293	9,812	8,059
Ivar Aasen – production	Boepd	313	286	365	314
Total net production	Boepd	16,557	16,171	19,099	16,147
Draugen – sold volume	Boepd	7,055	9,272	7,446	7,923
Gjølå – sold volume	Boepd	8,076	8,360	8,303	7,610
Ivar Aasen – sold volume	Boepd	67	1,162	61	338
Total net sold volume	Boepd	15,198	18,794	15,810	15,871
Total over/underlift/inventory adj.	Boepd	-1,359	2,623	-3,289	-276

⁴ **Production reliability** = Actual Production / (Actual production + Unscheduled deferment)

⁵ **Production availability** = Actual Production / (Actual production + Scheduled deferment + Unscheduled deferment)

Deferment is the reduction in production caused by a reduction in available production capacity due to an activity, an unscheduled event, poor equipment performance or sub-optimum settings.

Draugen (Operator, 44.56%)

Net production to OKEA from Draugen was 7,246 (7,592) boepd. Production availability was 96% (98%) and production reliability was 97% (99%).

The lower production and availability compared to previous quarter was due to two process trips and general field decline. The E1 well was temporary shut-in at the end of March awaiting a scale squeeze campaign planned for third quarter. The impact on production in the shut-in period is expected to be limited as volumes will be produced by nearby wells.

Managing the Covid-19 situation remains a high priority. During the quarter, OKEA implemented additional mitigating measures including multiple testing prior to departure for all offshore personnel.

The gas import project at Draugen completed in previous quarter has reduced diesel consumption by more than 80% in the quarter which has a positive impact on operating cost and environmental footprint.

Gjøa (Partner, 12.00%)

Net production to OKEA from Gjøa was 8,998 (8,293) boepd and production availability was 96% (95%). Production reliability remain as high as 99% (99%). The Gjøa operator continues to apply strict offshore and onshore measures to prevent and limit any consequences in case of Covid-19 contamination.

Production from the two wells at Gjøa P1 came onstream in February. The successful start-up of Gjøa P1 underlines the Gjøa platform's position as an important hub and increases total remaining developed reserves from the field.

Ivar Aasen (Partner, 0.554%)

Net production to OKEA from Ivar Aasen was 313 (286) boepd, and production reliability was 95% (95%). Following certain challenges with drilling and unloading from the two increased oil recovery (IOR) wells drilled in 2020, the operator is currently working to optimise production from the two wells. A water injection well is planned for 2021 to increase the reservoir pressure in the field.

Development projects

Yme (Partner, 15.00%)

The Yme project is currently in the hook-up and commissioning phase. The production unit, Maersk Inspirer, was safely installed at Yme field and connected to the wellhead module at the end of 2020.

Production and injection risers between the jack-up rig and the wellhead module have been lifted in place. The subsea storage tank and subsea flowlines have been fully tested and are ready for operation. The production wells are also ready for start-up. Remaining project scope relates to finalising hook-up and commissioning for Maersk Inspirer and the wellhead platform. Expected production start for the Yme field is in the second half of 2021.

Yme is expected to add production of 7,500 boepd net to OKEA at plateau, and 4,900 boepd net to OKEA on average over the first production year.

Hasselmus (Operator, 44.56%)

The Hasselmus gas field located 7.5 km northwest of Draugen was discovered in 2009 and has been unitised within the Draugen licence.

OKEA, as operator of Draugen, is currently developing the Hasselmus field as a gas tie-back to the Draugen platform for further processing and export. The project is currently in the Front-End Engineering Design (FEED) phase with a Final Investment Decision (FID) planned for second quarter. First gas is expected in 2023.

Draugen power from shore (Operator, 44.56%)

On behalf of the Draugen licence, OKEA has commenced a project to consider the possibility to provide power from shore to the production platform. The project includes assessing the option to extend the power supply to support other nearby fields and the Draugen and Njord licences have entered into a joint study agreement for evaluation of a potential common infrastructure project for power from shore.

A decision for continuation (DG1) was passed in September 2020, and concept selection is planned for mid-2021. The concept, which comprises a 130 km long subsea cable may be ready for operation in 2025.

Aurora (Operator, 40.00%)

Following the acquisition and transfer of operatorship from Equinor, OKEA initiated a field development project regarding the Aurora gas discovery. The project targets a low-cost development of the discovery as a tie-in to Gjøa by utilising existing infrastructure in the area. The licence is working towards an FID in 2022 with potential production start in 2024.

Grevling / Storskrymten (Operator, 35.00% / 60.00%)

Over the last few years, OKEA has worked to improve the economics for Grevling / Storskrymten and has achieved a reduction in estimated break-even cost from USD 70 per boe to USD 40 per boe. This is deemed insufficient for a stand-alone field development in the current market environment and OKEA as operator of the licence has continued to work to further improve the economics in the project. As operator, OKEA is currently assessing a serial field development solution, where the Grevling field and a re-deployable field development solution (FPSO) may be harmonised with another field to benefit from sharing cost for the production facility and reducing the geological downside through serial production of two or more fields. This work has intensified by the acquisition of the Vette licence, and discussions with the respective partners in these two licenses are ongoing in parallel with the project maturation towards a decision for concretisation (DG2).

During the quarter, studies for Carbon Capture and Storage (CCS) for the production facility to secure a solution for mitigating CO₂ emissions was concluded a feasible option for Grevling.

Vette (Operator, 40.00%)

In the quarter, formal approval was awarded from the Ministry of Petroleum and Energy (MPE), with respect to the Sales and Purchase Agreement (SPA) with Repsol Norge AS for the acquisition and operatorship of a 40% operated working interest in PL972, which includes the Vette oil discovery. The effective date for the transaction was 1 January 2021. The Vette discovery (Block 17/12) is located at a water depth of about 110 meters in the southeastern part of the North Sea. OKEA estimates that the recoverable volumes are in the range of

30-50 mmboe. ONE-Dyas Norge AS and M Vest Energy AS each hold a 30% working interest in the licence which also includes the Mackerel and Brisling discoveries.

As operator, OKEA is working to develop the project forward in parallel with the Grevling field development and is targeting a combined DG2 for both fields through the series development strategy defined for the Grevling licence described above, subject to reaching agreement of licence harmonisation.

Exploration licences

OKEA was awarded six new licences through APA 2020 in January 2021, whereof four as operator. The awarded licences include exploration and field development opportunities near the important Draugen and Gjøa production hubs as well as in new areas. Work programmes for the new licences have been established and some new seismic data has been purchased.

The Chrysaor-operated Jerv exploration well 15/12-25 was drilled in PL973 in February and March. A 40-meter gas condensate column was discovered in good quality reservoir (Ty Formation), but the reservoir pressure is highly depleted, and it was concluded that the discovery is non-commercial. At the date of this report, drilling is ongoing at the Ilder well (15/12-26) in the same licence. The Equinor-operated Ginny exploration well in PL1060 is scheduled for third quarter.

Health, safety, and environment (HSE)

There were no serious incidents in OKEA's operations during the quarter, and no accidental spills to the external environment. OKEA is maintaining a strict regime to protect employees and limit risk of possible impact on activities. There have been no Covid -19 contamination in the company's activities so far.

In preparation for the Draugen lifetime extension 2035+, a structured assessment of safety, process integrity, working environment and external environment matters to ensure that all relevant aspects are addressed has commenced.

The environmental impact assessment related to power from shore to Draugen was submitted for public hearing during the quarter and the project work is progressing.

Outlook

Oil prices have continued to strengthen in 2021 with Brent crude prices averaging above USD 60/bbl for the quarter despite new waves of Covid-19 outbreaks. A cold winter in the Northern Hemisphere, fast roll-out of new vaccine in the US and UK, continued strong demand in China and OPEC+ producer discipline has reduced OECD commercial stock levels to 5-year average levels. European gas prices have also remained strong due to high demand in Europe and Asia for LNG following the cold winter.

OKEA targets to deliver organic growth within the existing portfolio without the need for new equity. OKEA also intends to continue to pursue further license farm-in and M&A opportunities.

OKEA has firm plans to participate in the drilling of two more exploration wells in 2021. Drilling is currently ongoing at the Ilder prospect in PL 973 south of Grevling and an exploration well on the Ginny prospect in PL1060 near Draugen is planned for drilling in the third quarter.

Production guiding net to OKEA for 2021 is 15,500-16,500 boepd and expected to increase to 17,000-18,000 boepd in 2022 following commencement of production from Yme. Capex guiding for 2021 is NOK 600-700 million. The increase in volumes combined with higher oil and gas prices is expected to strengthen OKEA's cash flow position.

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Financial statements with notes Q1 2021

Statement of comprehensive income

		Q1 2021	Q4 2020	Q1 2020	2020
Amounts in NOK `000	Note	(unaudited)	(unaudited)	(unaudited)	(audited)
Revenues from crude oil and gas sales	6	536 178	581 217	503 660	1 652 311
Other operating income / loss (-)	6	-12 113	2 566	47 111	77 911
Total operating income		524 065	583 782	550 770	1 730 222
Production expenses	7	-176 335	-189 330	-166 862	-695 877
Changes in over/underlift positions and production inventory	7	16 978	-74 221	-33 494	16 690
Exploration and evaluation expenses	8	-108 736	-43 094	-27 440	-97 036
Depreciation, depletion and amortisation	10	-172 245	-178 894	-181 622	-699 403
Impairment (-) / reversal of impairment	10, 11, 12	-	116 851	-633 720	-1 387 018
General and administrative expenses	13	-16 013	-48 371	-10 826	-86 713
Total operating expenses		-456 351	-417 058	-1 053 964	-2 949 358
Profit / loss (-) from operating activities		67 714	166 724	-503 194	-1 219 136
Finance income	14	19 694	22 641	37 098	105 559
Finance costs	14	-34 878	-47 901	-77 807	-268 907
Net exchange rate gain/loss (-)	14	10 412	268 403	-382 364	151 744
Net financial items		-4 773	243 144	-423 073	-11 604
Profit / loss (-) before income tax		62 941	409 868	-926 268	-1 230 740
Taxes (-) / tax income (+)	9	-40 303	-227 404	141 537	628 014
Net profit / loss (-)		22 639	182 464	-784 730	-602 726
Other comprehensive income, net of tax:					
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>					
Remeasurements pensions, actuarial gain/loss (-)		-	-509	-	-509
Total other comprehensive income, net of tax		-	-509	-	-509
Total comprehensive income / loss (-)		22 639	181 955	-784 730	-603 235
Weighted average no. of shares outstanding basic		102 502 650	102 502 650	102 068 870	102 394 798
Weighted average no. of shares outstanding diluted		103 447 650	102 502 650	102 068 870	102 394 798
Earnings per share (NOK per share) - Basic		0.22	1.78	-7.69	-5.89
Earnings per share (NOK per share) - Diluted		0.22	1.78	-7.69	-5.89

Statement of financial position

Amounts in NOK '000	Note	31.03.2021 (unaudited)	31.12.2020 (audited)	31.03.2020 (unaudited)
ASSETS				
Non-current assets				
Goodwill	11, 12	768 946	768 946	826 908
Exploration and evaluation assets	11	34 187	38 349	17 653
Oil and gas properties	10	3 807 264	3 757 546	4 038 361
Buildings	10	82 094	83 250	86 719
Furniture, fixtures and office equipment	10	10 304	10 236	10 267
Right-of-use assets	10	174 325	179 235	142 435
Tax refund, non-current	9	12 396	-	-
Other non-current assets	15	3 049 058	3 029 367	2 987 851
Total non-current assets		7 938 575	7 866 930	8 110 194
Current assets				
Trade and other receivables	17	523 160	513 601	607 734
Spareparts, equipment and inventory	20	227 601	228 790	121 056
Tax refund, current	9	210 695	295 932	-
Cash and cash equivalents	18	977 925	871 210	1 259 339
Total current assets		1 939 382	1 909 534	1 988 129
TOTAL ASSETS		9 877 957	9 776 464	10 098 323
EQUITY AND LIABILITIES				
Equity				
Share capital	16	10 250	10 250	10 250
Share premium		1 912 462	1 912 462	1 912 462
Other paid in capital		18 596	11 342	10 139
Not registered share capital		50	-	-
Accumulated loss		-828 690	-851 329	-1 032 824
Total equity		1 112 669	1 082 725	900 027
Non-current liabilities				
Asset retirement obligations	19	4 220 815	4 199 866	4 044 547
Pension liabilities		32 818	31 988	27 591
Lease liability	23	138 105	143 978	113 514
Deferred tax liabilities	9	998 728	940 558	688 879
Interest-bearing loans and borrowings	22, 25	2 401 961	2 400 297	3 011 608
Total non-current liabilities		7 792 428	7 716 687	7 886 140
Current liabilities				
Trade and other payables	21	898 230	890 362	1 019 295
Income tax payable	9	14 207	14 207	245 037
Lease liability - current	23	36 220	35 257	28 632
Public duties payable		24 204	37 227	19 191
Provisions, current		-	-	-
Total current liabilities		972 860	977 052	1 312 155
Total liabilities		8 765 288	8 693 739	9 198 295
TOTAL EQUITY AND LIABILITIES		9 877 957	9 776 464	10 098 323

Statement of changes in equity

Amounts in NOK `000	Share capital	Share premium	Other paid in capital	Un-registered share capital	Accumulated loss	Total equity
Equity at 1 January 2020	10 206	1 912 462	6 855	-	-248 094	1 681 430
Total comprehensive income/loss (-) for the period	-	-	-	-	-784 730	-784 730
Share issues, cash	44	-	-	-	-	44
Share based payment	-	-	3 284	-	-	3 284
Equity at 31 March 2020	10 250	1 912 462	10 139	-	-1 032 824	900 027
Equity at 1 April 2020	10 250	1 912 462	10 139	-	-1 032 824	900 027
Total comprehensive income/loss (-) for the period	-	-	-	-	181 495	181 495
Share issues, cash	-	-	-	-	-	-
Share based payment	-	-	1 203	-	-	1 203
Equity at 31 December 2020	10 250	1 912 462	11 342	-	-851 329	1 082 725
Equity at 1 January 2021	10 250	1 912 462	11 342	-	-851 329	1 082 725
Total comprehensive income/loss (-) for the period	-	-	-	-	22 639	22 639
Share issues, cash	-	-	-	50	-	50
Share based payment	-	-	7 254	-	-	7 254
Equity at 31 March 2021	10 250	1 912 462	18 596	50	-828 690	1 112 669

Statement of cash flows

		Q1 2021 (unaudited)	Q4 2020 (unaudited)	Q1 2020 (unaudited)	2020 (audited)
Amounts in NOK '000	Note				
Cash flow from operating activities					
Profit / loss (-) before income tax		62 941	409 868	-926 268	-1 230 740
Income tax paid/received	9	97 107	164 187	-49 667	169 052
Depreciation, depletion and amortization	10	172 245	178 894	181 622	699 403
Impairment / reversal of impairment	10, 11, 12	-	-116 851	633 720	1 387 018
Accretion asset retirement obligations	14, 15, 19	1 258	774	779	3 106
Interest expense	14	11 520	22 573	72 261	166 950
Loss on financial assets		-	-	10 615	10 615
Change in trade and other receivables, and inventory		-7 744	-55 899	-1 098	-15 710
Change in trade and other payables		-19 746	-61 221	-394 583	-475 024
Change in foreign exchange bond loans and other non-current items		3 950	-270 144	517 653	-73 480
Net cash flow from / used in (-) operating activities		321 532	272 181	45 034	641 191
Cash flow from investment activities					
Investment in exploration and evaluation assets		-5 244	-21 722	-1 726	-27 945
Business combination, cash paid		-	-	-	-
Investment in oil and gas properties	10, 14	-175 026	-164 431	-320 577	-1 000 516
Investment in furniture, fixtures and office machines	10	-1 688	-1 770	-251	-4 377
Investment in financial assets		-	-	-10 615	-10 615
Net cash flow from / used in (-) investment activities		-181 958	-187 923	-333 170	-1 043 452
Cash flow from financing activities					
Repayment/buy-back of borrowings, bond loan	22	-	-16 439	-51 690	-120 955
Interest paid		-23 819	-70 929	-40 458	-222 715
Payments of lease debt	23	-9 090	-8 919	-23 899	-46 380
Net proceeds from share issues		50	0	44	44
Net cash flow from / used in (-) financing activities		-32 858	-96 286	-116 003	-390 006
Net increase/ decrease (-) in cash and cash equivalents		106 715	-12 028	-404 139	-792 268
Cash and cash equivalents at the beginning of the period		871 210	883 238	1 663 478	1 663 478
Cash and cash equivalents at the end of the period		977 925	871 210	1 259 339	871 210

Notes to the interim financial statements

Note 1 General and corporate information

These financial statements are the unaudited interim condensed financial statements of OKEA ASA for the first quarter of 2021. OKEA ASA ("OKEA" or the "company") is a public limited liability company incorporated and domiciled in Norway, with its main office located in Trondheim. The company's shares are listed on the Oslo Stock Exchange under the ticker OKEA.

The company's overall vision is to be the leading company on the Norwegian continental shelf in terms of delivering safe and cost-effective field developments and operational excellence, while maintaining a competent organisation with direct management engagement in all projects and activities.

Note 2 Basis of preparation

The interim accounts have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim accounts do not include all the information required in the annual accounts and should therefore be read in conjunction with the annual accounts for 2020. The annual accounts for 2020 were prepared in accordance with EU's approved International Financial Reporting Standards (IFRS).

The interim financial statements were authorised for issue by the company's board of directors on 3 May 2021.

Note 3 Accounting policies

The accounting policies adopted in the preparation of the interim accounts are consistent with those followed in the preparation of the annual accounts for 2020. New standards, amendments and interpretations to existing standards effective from 1 January 2021 did not have any significant impact on the financial statements.

Note 4 Critical accounting estimates and judgements

The preparation of the interim accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income and expenses. The estimates, and associated assumptions, are based on historical experience and other factors that are considered as reasonable under the circumstances. The actual results may deviate from these estimates. The material assessments underlying the application of the company's accounting policies, and the main sources of uncertainty, are the same for the interim accounts as for the annual accounts for 2020.

Note 5 Business segments

The company's only business segment is development and production of oil and gas on the Norwegian continental shelf.

Note 6 Income

Breakdown of petroleum revenues

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Sale of liquids	388 635	463 524	418 517	1 373 994
Sale of gas	147 543	117 693	85 143	278 317
Total petroleum revenues	536 178	581 217	503 660	1 652 311
Sale of liquids (boe*)	919 907	1 289 436	907 496	4 079 188
Sale of gas (boe*)	447 890	439 628	531 196	1 729 642
Total sale of petroleum in boe*	1 367 796	1 729 064	1 438 692	5 808 830

*Barrels of oil equivalents

Other operating income

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Gain / loss (-) from put/call options, oil	-31 388	-14 645	30 886	9 568
Tariff income Gjøl	13 087	15 570	15 182	53 237
Sale of licenses	-	-	-	-
Joint utilisation of logistics resources	6 188	1 641	1 043	15 107
Total other operating income/loss (-)	-12 113	2 566	47 111	77 911

Note 7 Production expenses & changes in over/underlift positions and production inventory

Production expenses

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
From licence billings - producing assets	149 791	157 528	143 423	591 305
From licence billings - assets under construction - various preparations for operation	5 322	7 813	-	7 813
Other production expenses (insurance, transport)	21 222	23 989	23 439	96 759
Total production expenses	176 335	189 330	166 862	695 877

Changes in over/underlift positions and production inventory

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Changes in over/underlift positions	20 392	-54 751	-45 694	-77 423
Changes in production inventory	-3 415	-19 470	12 200	94 112
Total changes income/loss (-)	16 978	-74 221	-33 494	16 690

Note 8 Exploration and evaluation expenses

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Share of exploration and evaluation expenses from participation in licences excluding dry well impairment, from billing	20 943	26 550	28 243	74 942
Share of exploration expenses from participation in licences, dry well write off, from billing *	88 192	-12	-900	335
Seismic and other exploration and evaluation expenses, outside billing	-400	16 555	97	21 759
Total exploration and evaluation expenses	108 736	43 094	27 440	97 036

* The drilling of exploration well Jerv in licence PL973 was completed in Q1 2021 and concluded non-commercial discovery.

Note 9 Taxes

Income taxes recognised in the income statement

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Change in deferred taxes current year	-58 170	-200 527	141 537	-111 946
Taxes payable current year	-	-	-	-
Tax payable adjustment previous year	-	-12 046	-	-12 046
Tax refund current year	17 867	-14 832	-	752 006
Change in deferred taxes previous year	-	-	-	-
Tax refund adjustment previous year	-	-	-	-
Total taxes (-) / tax income (+) recognised in the income statement	-40 303	-227 404	141 537	628 014

Reconciliation of income taxes

Amounts in NOK `000	Q1 2021	Q4 2020	Q1 2020	2020
Profit / loss (-) before income taxes	62 941	409 868	-926 268	-1 230 740
Expected income tax at nominal tax rate, 22%	-13 847	-90 171	203 779	270 763
Expected petroleum tax, 56%	-35 247	-229 526	518 710	689 214
Permanent differences, including impairment of goodwill	-4 313	-1 983	-469 059	-504 605
Effect of uplift	34 715	22 901	15 068	180 613
Financial and onshore items	-19 515	82 775	-126 961	3 429
Effect of new tax rates	-	-	-	-
Change valuation allowance	-2 095	-	-	-
Adjustments previous year and other	-	-11 401	-	-11 401
Total income taxes recognised in the income statement	-40 303	-227 404	141 537	628 014
Effective income tax rate	64 %	55 %	15 %	51 %

Specification of tax effects on temporary differences, tax losses and uplift carried forward

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Tangible and intangible non-current assets	-2 178 818	-2 113 571	-1 916 953
Provisions (net ARO), lease liability, pensions and gain/loss account	1 301 192	1 299 894	1 150 727
Interest-bearing loans and borrowings	-7 444	-7 240	-13 989
Current items (spareparts and inventory)	-114 818	-122 180	-9 128
Tax losses carried forward, onshore 22%	2 095	992	1 198
Tax losses carried forward, offshore 22%	-	-	64 884
Tax losses carried forward, offshore 56%	-	-	25 070
Uplift, offshore 56%	1 161	1 548	9 311
Valuation allowance (uncapitalised deferred tax asset)	-2 095	-	-
Total deferred tax assets / liabilities (-) recognised	-998 728	-940 558	-688 879

Deferred tax is calculated based on tax rates applicable on the balance sheet date. Ordinary income tax is 22%, to which is added a special tax for oil and gas companies at the rate of 56%, giving a total tax rate of 78%.

Companies operating on the Norwegian continental shelf under the offshore tax regime can claim the tax value of any unused tax losses or other tax credits related to its offshore activities to be paid in cash (including interest) from the tax authorities when operations cease. Deferred tax assets that are based on offshore tax losses carried forward are therefore normally recognised in full.

There is no time limitation on the right to carry tax losses forward in Norway.

Specification of tax refund

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Tax value of exploration expenditures	92 196	85 735	-
Residual tax value of tax losses	130 895	210 197	-
Total tax refund	223 091	295 932	-

The tax value of exploration expenditures is paid in November the following year.

The residual tax value of tax losses in 2020 and 2021, deducted for tax refund from exploration expenses, is received in six instalments occurring every two months, and is a part of the temporary change to the tax regime for oil and gas companies for the income years 2020 and 2021, as enacted by the Norwegian Parliament in June 2020.

Specification of tax payable

Amounts in NOK `000	Total
Tax payable at 1 January 2021	14 207
Tax paid	-
Tax payable adjustment previous year	-
Tax payable at 31 March 2021	14 207

Note 10 Tangible assets and right-of-use assets

Amounts in NOK `000	Oil and gas properties in production	Oil and gas properties under development	Buildings	Furniture, fixtures and office machines	Right-of-use assets	Total
Cost at 1 January 2021	3 918 980	2 037 626	92 501	19 434	249 439	6 317 979
Additions	97 438	115 617	-	1 688	1 340	216 083
Reclassification from inventory	-626	-	-	-	-	-626
Reclassification from exploration		3 008				3 008
Removal and decommissioning asset	-	-	-	-	-	-
Disposals	-	-	-	-33	-	-33
Cost at 31 March 2021	4 015 793	2 156 250	92 501	21 089	250 779	6 536 412
Accumulated depreciation and impairment at 1 January 2021	-1 468 663	-730 397	-9 250	-9 198	-70 204	-2 287 711
Depreciation	-165 720	-	-1 156	-1 619	-3 750	-172 245
Impairment (-) / reversal of impairment	-	0	-	-	-	0
Disposals	-	-	-	33	-	33
Additional depreciation of IFRS 16 Right-of-use assets presented gross related to leasing contracts entered into as licence operator	-	-	-	-	-2 501	-2 501
Accumulated depreciation and impairment at 31 March 2021	-1 634 383	-730 397	-10 406	-10 785	-76 454	-2 462 424
Carrying amount at 31 March 2021	2 381 410	1 425 853	82 094	10 304	174 325	4 073 987

Note 11 Goodwill, exploration and evaluation assets

Amounts in NOK `000	Exploration and evaluation assets	Technical goodwill	Ordinary goodwill	Total goodwill
Cost at 1 January 2021	38 349	1 114 547	416 415	1 530 962
Additions	87 038	-	-	-
Additions through business combination	-	-	-	-
Reclassification to oil and gas properties under development	-3 008	-	-	-
Expensed exploration expenditures temporarily capitalised	-88 192	-	-	-
Cost at 31 March 2021	34 187	1 114 547	416 415	1 530 962
Accumulated impairment at 1 January 2021	-	-508 818	-253 198	-762 016
Impairment	-	-	-	-
Accumulated impairment at 31 March 2021	-	-508 818	-253 198	-762 016
Carrying amount at 31 March 2021	34 187	605 729	163 217	768 946

Note 12 Impairment

Tangible and intangible assets are tested for impairment whenever impairment indicators are identified and at least on an annual basis. Impairment is recognised when the book value of an asset or cash generating unit exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The recoverable amount is estimated based on discounted future after tax cash flows. The expected future cash flows are discounted to net present value by applying a discount rate after tax that reflects the weighted average cost of capital (WACC).

Technical goodwill arises as an offsetting account to the deferred tax recognised in business combinations and is allocated to each Cash Generating Unit (CGU). When deferred tax from the initial recognition decreases, more goodwill is as such exposed for impairments.

Fair value assessment of the company's right-of-use (ROU) assets portfolio are included in the impairment test.

Below is an overview of the key assumptions applied in the impairment test as of 31 March 2021:

Year	Oil USD/BOE*	Gas GBP/therm*	Currency rates
			USD/NOK
2021	61.0	0.49	8.5
2022	56.7	0.46	8.6
2023	60.0	0.46	8.3
From 2024	65.0	0.47	8.0

* Prices in real terms

Other assumptions

For oil and gas reserves future cash flows are calculated on the basis of expected production profiles and estimated proven and probable remaining reserves.

Future capex, opex and abandonment cost are calculated based on the expected production profiles and the best estimate of the related cost. For fair value testing the discount rate applied is 10.0% post tax, unchanged from 2020.

The long-term inflation rate is assumed to be 2.0%.

Impairment testing of technical goodwill, ordinary goodwill, fixed assets and ROU assets

Based on the impairment test, no impairment or reversal of impairment of the Yme asset under development carried at fair value at year end 2020 has been deemed necessary. The progress of the project is as expected and no major changes to the progress of the project has occurred.

Based on the company's impairment assessments including calculation of net present value of assets, no impairment of technical or ordinary goodwill or ROU assets was required in the three month period ending on 31 March 2021.

Sensitivity analysis

The table below shows what the impairment pre-tax would have been in the first quarter under various alternative assumptions, assuming all other assumptions remaining constant. The total figures shown are combined impairment for CGUs Gjøa, Draugen, Ivar Aasen and Yme.

Assumptions	Change	Alternative calculations of pre-tax impairment/reversal (-) in Q1 2021 (NOK '000)	
		Increase in assumption	Decrease in assumption
Oil and gas price	+/- 10%	-404 343	603 839
Currency rate USD/NOK	+/- 1.0 NOK	-561 748	535 007
Discount rate	+/- 1% point	-103 592	93 555

Note 13 General and administrative expenses

Amounts in NOK '000	Q1 2021	Q4 2020	Q1 2020	2020
Salary and other employee benefits expenses	120 277	140 020	107 687	438 868
Consultants and other operating expenses	37 360	53 321	40 870	160 498
Allocated to operated licences	-140 949	-141 668	-136 048	-502 367
Reclassified to oil and gas properties under development	-675	-3 302	-1 682	-10 286
Total general and administrative expenses	16 013	48 371	10 826	86 713

Note 14 Financial items

Amounts in NOK '000	Q1 2021	Q4 2020	Q1 2020	2020
Interest income	3	1 235	2 431	4 036
Unwinding of discount asset retirement receivable (indemnification asset)	19 691	19 376	19 349	77 450
Gain on buy-back bond loan	-	2 031	15 318	24 074
Finance income	19 694	22 641	37 098	105 559
Interest expense and fees to bondholders	-49 549	-50 617	-72 261	-291 237
Capitalised borrowing cost, development projects	38 029	28 100	27 107	124 344
Interest expense shareholder loan	-	-57	-	-57
Other interest expense	-242	-3 386	-549	-4 331
Unwinding of discount asset retirement obligations	-20 949	-20 150	-20 127	-80 555
Other financial expense	-2 167	-1 791	-11 976	-17 071
Finance costs	-34 878	-47 901	-77 807	-268 907
Exchange rate gain/loss (-), bond loans	2 220	274 068	-518 442	57 171
Net exchange rate gain/loss (-), other	8 192	-5 664	136 078	94 573
Net exchange rate gain/loss (-)	10 412	268 403	-382 364	151 744
Net financial items	-4 773	243 144	-423 073	-11 604

Note 15 Other non-current assets

Amounts in NOK `000	
Other non-current assets at 1 January 2021 (Indemnification asset)	3 029 367
Changes in estimates	-
Effect of change in the discount rate	-
Unwinding of discount	19 691
Total other non-current assets at 31 March 2021	3 049 058

Other non-current assets consists of a receivable from the seller Shell from OKEA's acquisition of Draugen and Gjøa assets in 2018. The parties agreed that the seller Shell will cover 80% of the actual abandonment expenses for the Draugen and Gjøa fields up to a predefined after-tax cap amount of NOK 679 million (2020 value) subject to Consumer Price Index (CPI) adjustment. The present value of the expected payments is recognised as a pre-tax receivable from the seller.

In addition, the seller has agreed to pay OKEA an amount of NOK 399 million (2020 value) subject to a CPI adjustment according to a schedule based on the percentage of completion of the decommissioning of the Draugen and Gjøa fields.

The net present value of the receivable is calculated using a discount rate of 2.6%.

Note 16 Share capital

Number of shares	Ordinary shares
Outstanding shares at 1 January 2021	102 502 650
New shares issued during 2021	-
Number of outstanding shares at 31 March 2021	102 502 650

Nominal value NOK per share at 31 March 2021	0.1
Share capital NOK at 31 March 2021	10 250 265

As per 31 March 2021, 945,000 equity-settled warrants are still outstanding. Reference is made to note 10 in the 2020 annual financial statements for further details.

Refer to note 26 for information about share issue registered in April 2021.

Note 17 Trade and other receivables

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Accounts receivable and receivables from operated licences*	69 660	67 640	70 777
Accrued revenue	43 026	64 807	43 191
Prepayments	29 450	30 906	37 579
Working capital and overcall, joint operations/licences	174 581	161 392	202 178
Underlift of petroleum products	205 065	184 672	216 401
VAT receivable	-	4 184	3 930
Fair value put/call options, oil	1 378	-	33 679
Total trade and other receivables	523 160	513 601	607 734

* There are no accruals for potential losses on receivables.

Note 18 Cash and cash equivalents

Cash and cash equivalents:

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Bank deposits, unrestricted	968 053	853 903	1 250 164
Bank deposit, employee taxes	9 873	17 307	9 175
Total cash and cash equivalents	977 925	871 210	1 259 339

Note 19 Asset retirement obligations

Amounts in NOK `000	Total non-current
Provision at 1 January 2021	4 199 866
Additions and adjustments	-
Changes in estimates	-
Effects of change in the discount rate	-
Unwinding of discount	20 949
Total provisions at 31 March 2021	4 220 815

Asset retirement obligations

Provisions for asset retirement obligations represent the future expected costs for close-down and removal of oil equipment and production facilities. The provision is based on the company's best estimate. The net present value of the estimated obligation is calculated using a discount rate of 2%, unchanged from year end 2020. The assumptions are based on the economic environment at balance sheet date. Actual asset retirement costs will ultimately depend upon future market prices for the necessary works which will reflect market conditions at the relevant time. Furthermore, the timing of the close-down is likely to depend on when the field ceases to produce at economically viable rates. This in turn will depend upon future oil and gas prices, which are inherently uncertain.

For recovery of costs of decommissioning related to assets acquired from Shell, reference is made to note 15.

Note 20 Spareparts, equipment and inventory

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Inventory of petroleum products	113 607	117 022	35 110
Spare parts and equipment	113 994	111 768	85 946
Total spareparts, equipment and inventory	227 601	228 790	121 056

Note 21 Trade and other payables

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Trade creditors	20 023	46 509	8 651
Accrued holiday pay and other employee benefits	55 578	89 595	49 166
Working capital, joint operations/licences	434 543	451 217	516 441
Accrued interest bond loans	26 853	5 008	34 319
Prepayments from customers	201 034	199 001	284 427
Fair value put/call options, oil	-	7 169	-
Loan from shareholder OKEA Holdings Ltd	1 314	1 314	1 257
Other accrued expenses	158 884	90 550	125 034
Total trade and other payables	898 230	890 362	1 019 295

Note 22 Interest-bearing loans and borrowings

Amounts in NOK `000	OKEA02	OKEA03	Total
Bond loans at 1 January 2021	1 395 997	1 004 299	2 400 297
Amortisation of transaction costs	2 635	1 250	3 885
Bond buy-back	-	-	-
Foreign exchange movement	-1 287	-933	-2 220
Bond loans at 31 March 2021	1 397 345	1 004 616	2 401 961

Amounts in NOK `000	OKEA02	OKEA03	Total
Bond loans at 1 January 2021	1 395 997	1 004 299	2 400 297
Cash flows:			
Gross proceeds from borrowings	-	-	-
Transaction costs	-	-	-
Repayment/buy-back of borrowings	-	-	-
Total cash flows:	-	-	-
Non-cash changes:			
Amortisation of transaction costs	2 635	1 250	3 885
Foreign exchange movement	-1 287	-933	-2 220
Gain on buy-back	-	-	-
Bond loans at 31 March 2021	1 397 345	1 004 616	2 401 961

During 2021 the company was in compliance with the covenants under the bond agreements.

Revised bond terms affecting the covenants in the waiver period effective from 30 June 2020 to and including 31 December 2021 comprise OKEA02 and OKEA03 and can be summarised as follows:

Leverage Ratio covenant:

Shall not exceed:

- (i) 3:1 to and including 30 June 2020;
- (ii) 5:1 from 1 July 2020 to and including 30 September 2020;
- (iii) 7:1 from 1 October 2020 to and including 30 June 2021;
- (iv) 6:1 from 1 July 2021 to and including 30 September 2021; and
- (v) 3:1 from 1 October 2021 to and including 31 December 2021.

During the waiver period, a breach of the Leverage Ratio covenant will only result in a default if the company is in breach on two consecutive calculation dates.

The following changes are permanent:

Capital Employment Ratio covenant:

The covenant shall be calculated in USD by converting the cash equity capital using the NOK/USD exchange rate applicable at the time of registering the share capital.

Other terms:

- Alignment of the definition of permitted hedging in the OKEA02 bond terms with OKEA03 bond terms
- All call prices are increased by 1%
- Outstanding bonds shall be redeemed at 101% of the nominal amount at the maturity date
- All put prices are increased by 1%
- The company shall not declare or make any dividends or grant any loans or other transfer of value to its shareholders
- Security in any additional tax refund claims if at any time Norwegian law permits this
- Extraordinary put option on 30 June 2021 up to 15% of outstanding bonds at 100% of the nominal amount

Note 23 Leasing

The company has entered into operating leases for office facilities. In addition, the company has entered into operating leases as an operator of the Draugen field for logistic resources such as platform supply vessel with associated remote operated vehicle (ROV), base and warehouse for spare parts.

Amounts in NOK `000

Lease liability 1 January 2021	179 235
Additions/disposals lease contracts	1 340
Accretion lease liability	2 839
Payments of lease debt	-9 090
Total lease debt at 31 March 2021	174 325

Break down of lease liability

Short-term (within 1 year)	36 220
Long-term	138 105
Total lease liability	174 325

Future minimum lease payments under non-cancellable lease agreements:

Amounts in NOK `000

31.03.2021

Within 1 year	36 220
1 to 5 years	135 453
After 5 years	88 955
Total	260 628

Future lease payments related to leasing contracts entered into as an operator of the Draugen field are presented on a gross basis.

Note 24 Derivatives

Amounts in NOK `000	31.03.2021	31.12.2020	31.03.2020
Premium commodity contracts	36 556	6 653	6 721
Unrealised gain/loss (-) commodity contracts	-35 178	-13 821	26 958
Short-term derivatives included in assets/liabilities (-)	1 378	-7 169	33 679

OKEA uses derivative financial instruments to manage exposures to fluctuations in commodity prices. At the end of first quarter 2021, OKEA had outstanding put options for 150 000 barrels of oil (bbl) at a strike price of 40 USD per bbl with expiration in April 2021 and put options for 150 000 barrels of oil at a strike price of 50 USD per bbl with expiration in July 2021.

Note 25 Fair value of financial instruments

It is assessed that the carrying amounts of financial assets and liabilities, except for interest-bearing loans and borrowings, is approximately equal to its fair values. For interest-bearing loans and borrowings, the fair value is estimated to be NOK 2 465 614 thousand at 31 March 2021. The OKEA02 and OKEA03 bond loans are listed on the Oslo Stock Exchange and the fair value is based on the latest quoted market prices (level 1 in the fair value hierarchy according to IFRS 13) as per balance sheet date.

Note 26 Events after the balance sheet date

In April 2021 the share capital increase related to the issuance of 502,700 new shares in connection with a long-term retention incentive program for selected senior management and key employees in the company has been registered with the Norwegian Register of Business Enterprises. The company's new share capital is NOK 10,300,535 divided into 103,005,350 shares, each with a par value of NOK 0.10.

Alternative performance measures

Reconciliations

EBITDA	Q1 2021	Q4 2020	Q1 2020	2020
Amounts in NOK `000	3 months	3 months	3 months	12 months
Profit / loss (-) from operating activities	67 714	166 724	-503 194	-1 219 136
Add: depreciation, depletion and amortisation	172 245	178 894	181 622	699 403
Add: impairment	-	-116 851	633 720	1 387 018
EBITDA	239 959	228 767	312 148	867 286

EBITDAX	Q1 2021	Q4 2020	Q1 2020	2020
Amounts in NOK `000	3 months	3 months	3 months	12 months
Profit / loss (-) from operating activities	67 714	166 724	-503 194	-1 219 136
Add: depreciation, depletion and amortisation	172 245	178 894	181 622	699 403
Add: impairment	-	-116 851	633 720	1 387 018
Add: exploration and evaluation expenses	108 736	43 094	27 440	97 036
EBITDAX	348 695	271 860	339 588	964 322

Production expense per boe	Q1 2021	Q4 2020	Q1 2020	2020
Amounts in NOK `000	3 months	3 months	3 months	12 months
Productions expense	176 335	189 330	166 862	695 877
Less: processing tariff income	-13 087	-15 570	-15 182	-53 237
Less: joint utilisation of resources	-6 188	-1 641	-1 043	-15 107
Less: preparation for operation asset under construction	-5 322	-7 813	-	-7 813
Divided by: produced volumes (boe)	1 490 075	1 487 762	1 738 009	5 909 921
Production expense NOK per boe	101.8	110.4	86.7	104.9

Profit/loss (-) before tax per share	Q1 2021	Q4 2020	Q1 2020	2020
Amounts in NOK `000	3 months	3 months	3 months	12 months
Profit / loss (-) before income tax	62 941	409 868	-926 268	-1 230 740
Divided by: weigh. average no. of shares	102 502 650	102 502 650	102 068 870	102 394 798
Result before tax per share (NOK per share)	0.61	4.00	-9.07	-12.02

Net interest-bearing debt	31.03.2021	31.12.2020	31.03.2020	31.12.2020
Amounts in NOK `000				
Interest-bearing loans and borrowings	2 401 961	2 400 297	3 011 608	2 400 297
Less: Cash and cash equivalents	977 925	871 210	1 259 339	871 210
Net interest-bearing debt	1 424 036	1 529 086	1 752 270	1 529 086

Definitions

EBITDA is defined as earnings before interest and other financial items, taxes, depreciation, depletion, amortisation and impairments.

EBITDAX is defined as earnings before interest and other financial items, taxes, depreciation, depletion, amortisation, impairments and exploration and evaluation expenses.

Net interest-bearing debt is book value of current and non-current interest-bearing debt excluding lease liability (IFRS 16) less cash and cash equivalents.

Production expense per boe is defined as production expense less processing tariff income and joint utilisation of resources income for assets in production divided by produced volumes. Expenses classified as production expenses related to various preparation for operations on assets under development are excluded.

Profit/loss (-) before tax per share is profit/loss (-) before income tax divided by weighted average number of shares outstanding.



OKEA is an oil company contributing to the value creation on the Norwegian continental shelf with cost effective development and operation systems.

OKEA ASA

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