



OKEA third quarter 2021 trading update

Oslo, 15 October 2021) OKEA ASA (OKEA: OSE: OKEA) today announces a trading update for the third quarter of 2021 with a production of 16 315 barrels of oil equivalents per day (boepd), compared to 13 210 boepd in the previous quarter, and an operating income of NOK 1 026 (607) million.

“OKEA continues to deliver solid operational results and recorded a three-fold growth in revenues in the third quarter compared to last year, backed by strong oil and gas prices. We are on track to start production at Yme shortly, which will further strengthen OKEA's production and cash flow, providing a growth platform for further expansion”, says OKEA CEO Svein J. Liknes.

(Numbers in brackets refers to previous quarter)

Petroleum production and sales

OKEA produced 16 315 (13 210) boepd in the third quarter. The increase from previous quarter was mainly driven by high reliability at both Draugen and Gjøa without any major planned maintenance work.

Sold volumes in the third quarter amounted to 16 979 (13 048) boepd. Market prices have continued to improve during the quarter which resulted in an average realised liquids price of USD 67.4 (63.8) per boe* and an average realised price for gas of USD 0.57 (0.32) per scm**.

The full-year production guidance of 15 500 – 16 500 boepd remains unchanged.

	Unit	Q3 2021	Q2 2021	Q3 2020
Total operating income	MNOK	1,026	607	321
Realised liquids price	USD/boe	67.4	63.8	32.3
Realised gas price	USD/scm	0.57	0.32	0.08
Net production	Boepd	16,315	13,210	13,303
Net production – liquids	boepd	11,365	9,715	9,372
Net production – gas	boepd	4,950	3,495	3,931
Third-party volumes available for sale***	boepd	165	0	0
Over/underlift/inventory adjustments	boepd	499	-162	929
Net sold volume	boepd	16,979	13,048	14,232
Net sold volumes – liquids	boepd	11,966	9,284	10,166
Net sold volumes – gas	boepd	5,013	3,764	4,066
Cash and cash equivalents end of quarter	MNOK	1,504	1,346	883
Net interest-bearing debt end of quarter	MNOK	874	1,070	1,805

*Boe – barrels of oil equivalents

**Scm– standard cubic metres

***Compensation volumes from Duva received (tie-in to Gjøa) included in Net sold volumes – gas

Financial position

At the end of the quarter, cash and cash equivalents amounted to NOK 1,504 million. Net interest-bearing debt amounted to NOK 874 million.

During the quarter, OKEA bought back OKEA02 bonds for NOK 108 million at an average price of 102.5, and settled the NOK 159 million which was due to Shell as outlined in the second quarter financial report.

Capital expenditure guiding for 2021 of NOK 600-700 million remains unchanged and includes investments on Yme and Hasselmus.

Third quarter 2021 financial report and strategy update on 28 October 2021

OKEA ASA will publish its financial report for the third quarter and a company strategy update on Thursday 28 October 2021 06:00 CEST. CEO Svein J. Liknes and CFO Birte Norheim will host a presentation at Haakon VII's gate 2 at 10:00 CEST.

The presentation will be streamed live on the company's website www.okea.com and will be available on demand afterwards.

Disclaimer

The information contained in this statement is based on a preliminary assessment of the company's third quarter 2021 operating and financial results and may be subject to change.

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About OKEA

OKEA ASA is an independent Exploration and Production (E&P) company and operator on the Norwegian continental shelf with a current production of around 16,000 boepd. OKEA targets profitable production growth within the current portfolio combined with an opportunistic approach to M&A.

OKEA ASA is listed on the Oslo Stock Exchange under the ticker "OKEA".