

# Second quarter 2024

12 July 2024  
Aker BP ASA

# Highlights

Second quarter 2024

## Excellent operational performance

- High production efficiency and volumes
- Low cost and emissions

## Development projects on track

- Fabrication and installation activities well underway
- Cost estimates and schedule unchanged

## Strong financial performance

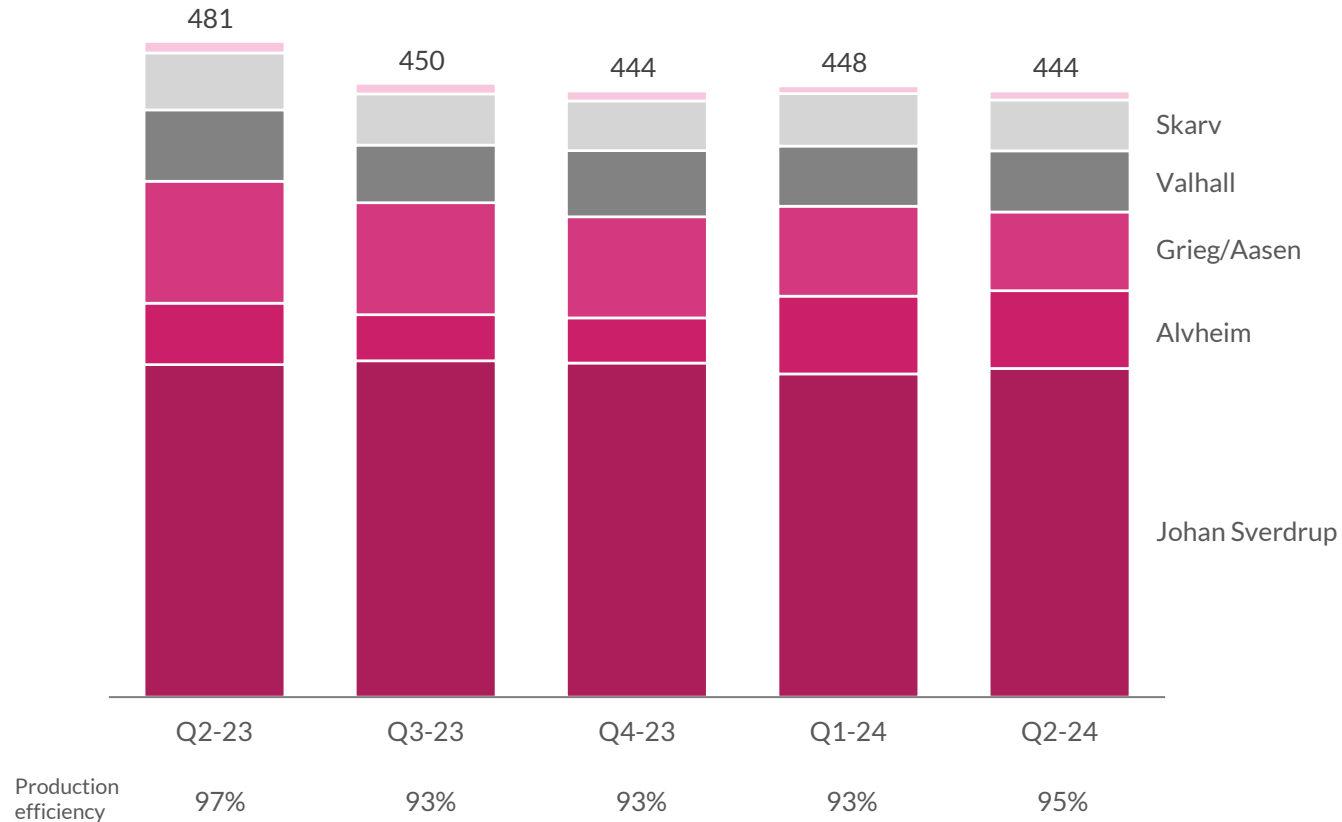
- High underlying cash flow in the quarter
- Continued optimising capital structure with Euro bond





# Production

1,000 barrels oil equivalents per day (mboepd)





# Johan Sverdrup

A world-class oil field with excellent reservoir properties



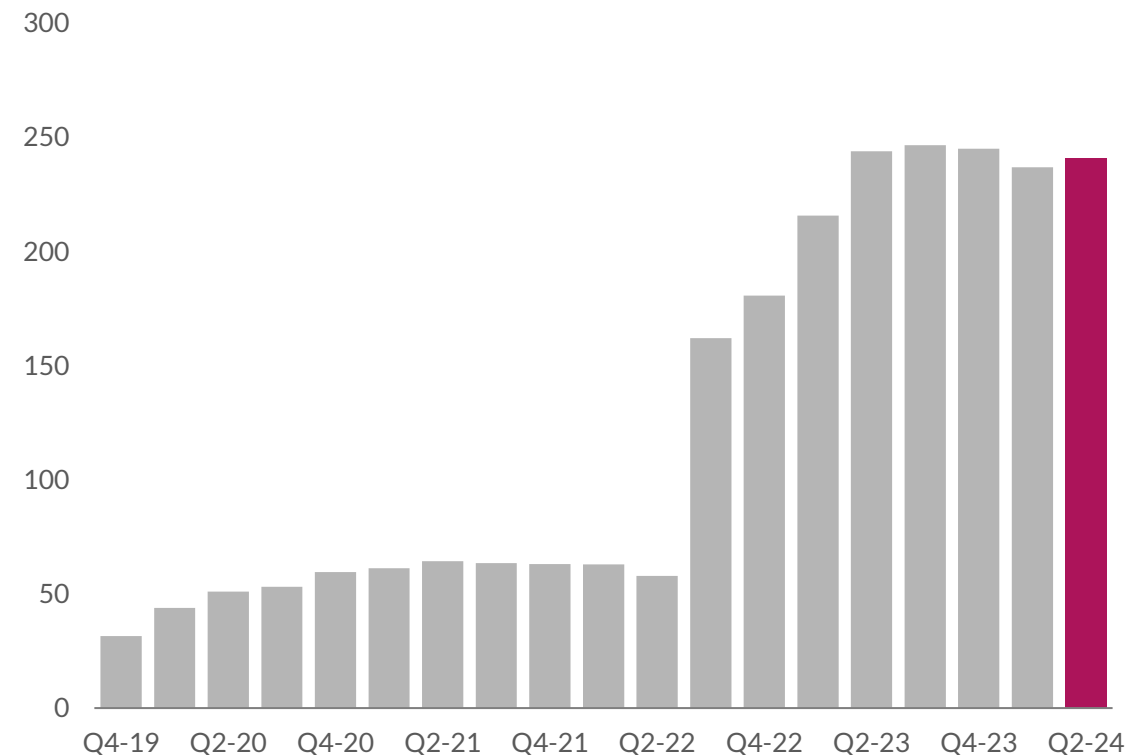
# Johan Sverdrup

Steady production at elevated plateau

- Continued high production efficiency
- Four new production wells online in 1H
- Six more production wells to be added in 2H
- Planning for retrofit multilaterals next year
- Maturing Phase 3 subsea expansion

## Johan Sverdrup production

Net to Aker BP, mboepd

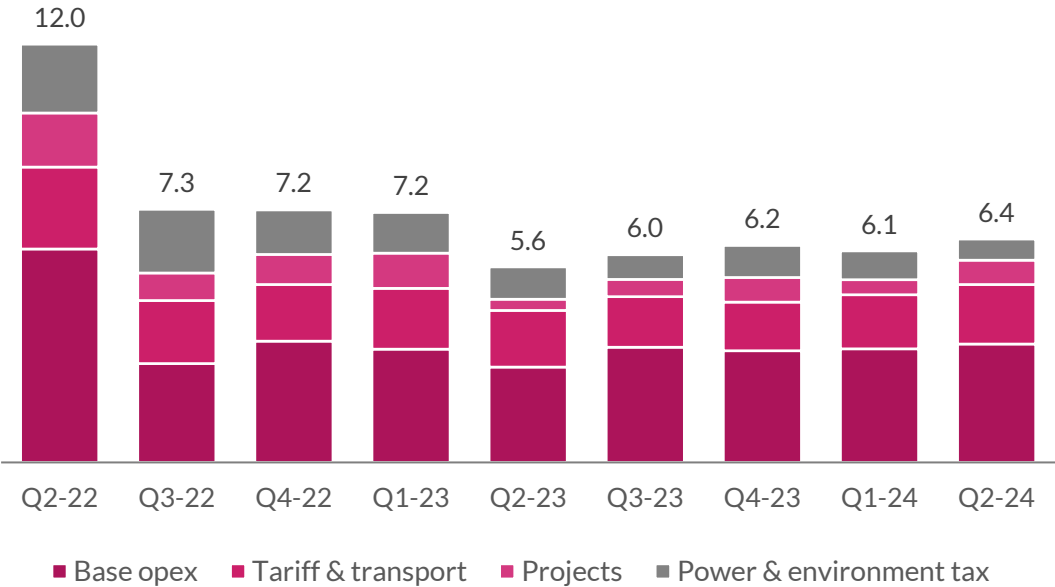


# Production costs

A strong competitive position

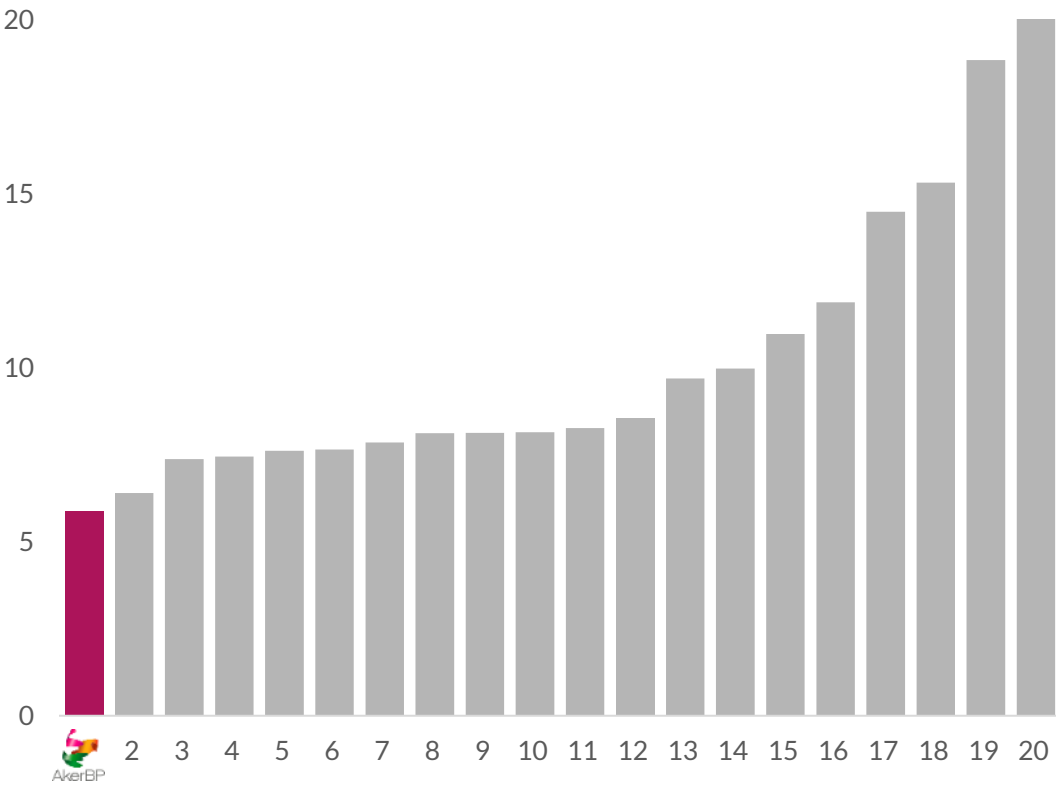
## Aker BP production cost

USD per boe



## Industry peers total operational cost<sup>1</sup>

USD per boe, 2023



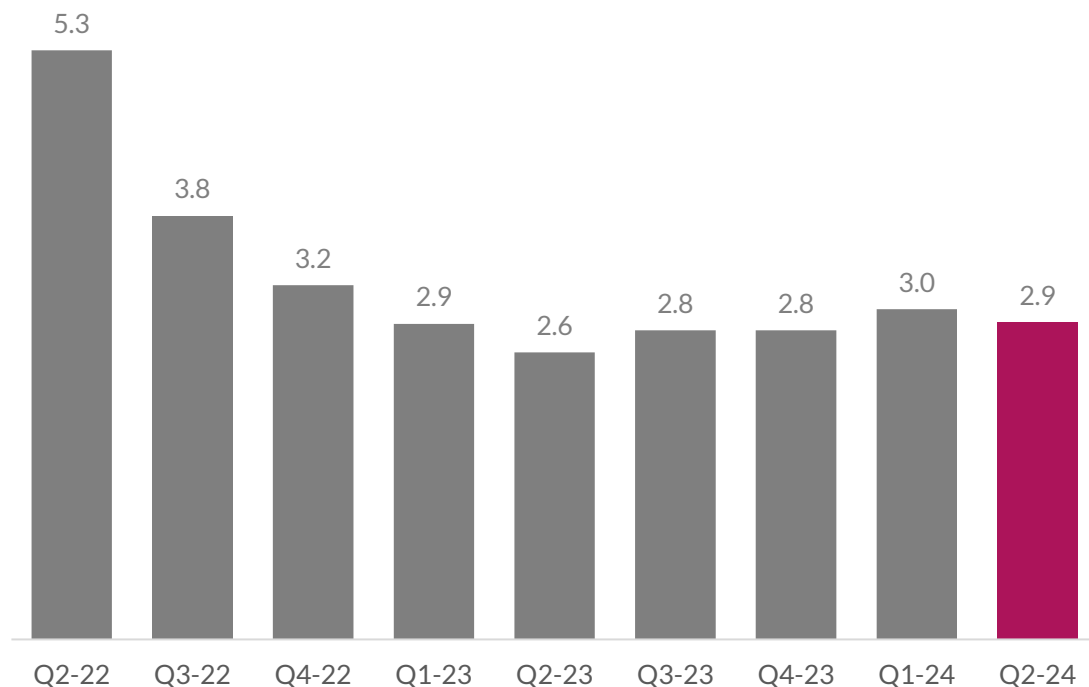
1) Source Wood Mackenzie. Companies included: Aker BP, BP, Chevron, ConocoPhillips, Diamondback Energy, DNO, Eni, EOG Resources, Equinor, ExxonMobil, Galp Energia, Harbour Energy, Hess Corp., Marathon Oil, OKEA, Pioneer, Shell, TotalEnergies, Tullow Oil, Vår Energi

# Decarbonisation

A global leader in low GHG emissions

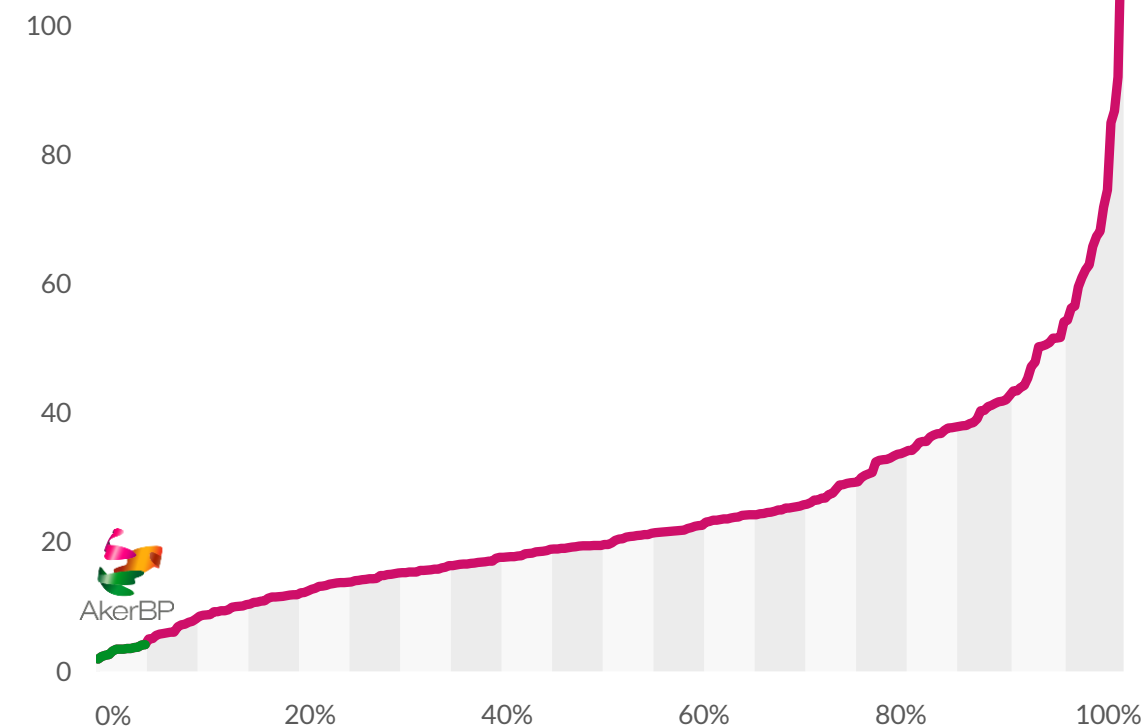
## Decarbonising the business

Aker BP emission intensity, kg CO<sub>2</sub>e/boe



## Industry net emission intensity<sup>1</sup>

Kg CO<sub>2</sub>/boe, equity share (2023)



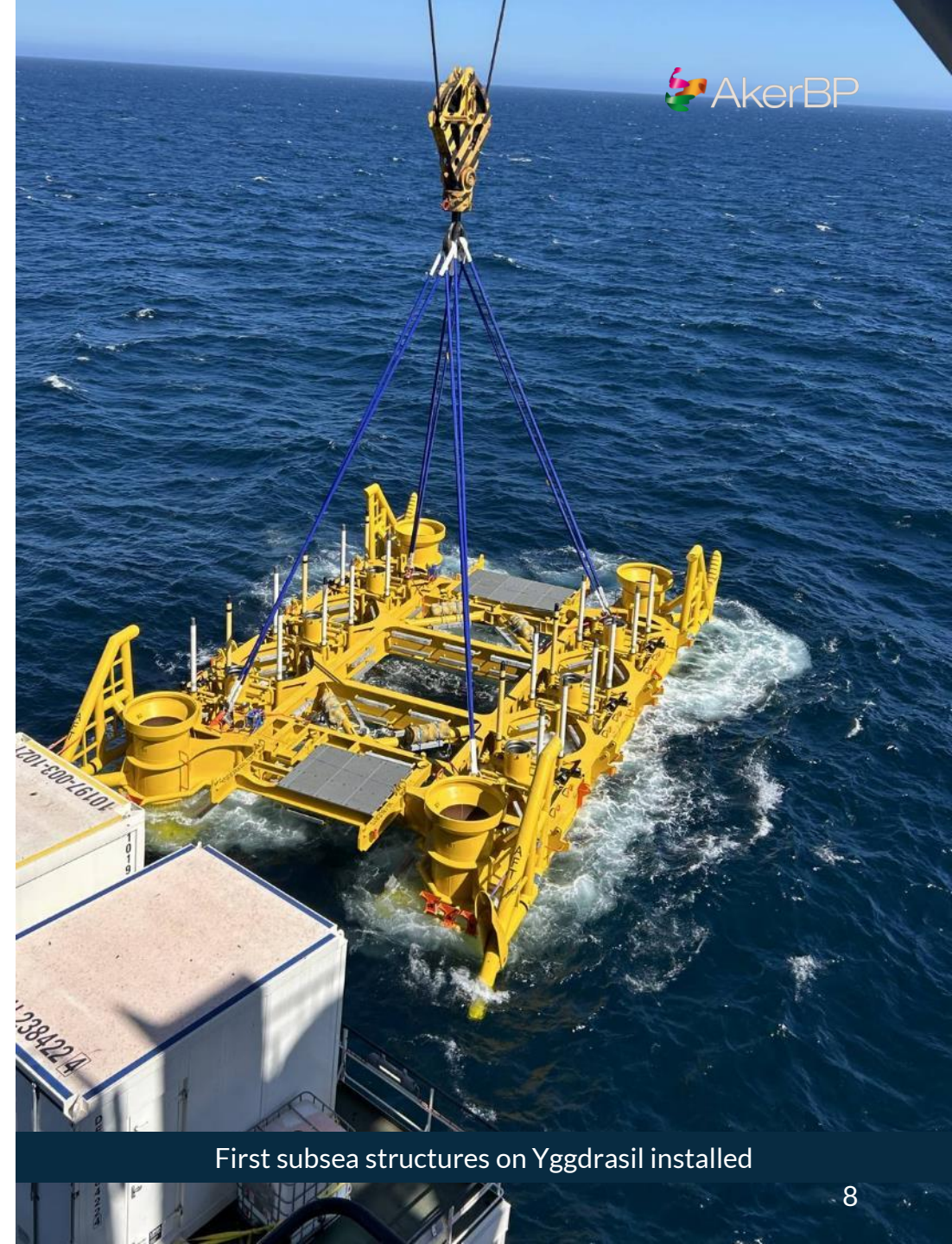
285 largest producing upstream companies

1) Source Wood Mackenzie. Global upstream CO<sub>2</sub> emissions



# Project execution on track

- Major milestones successfully reached
- Fabrication and installation activities well underway
- Subsea activities and drilling progressing well
- Tyrving start-up planned for October
- Total capex estimate in line with plans



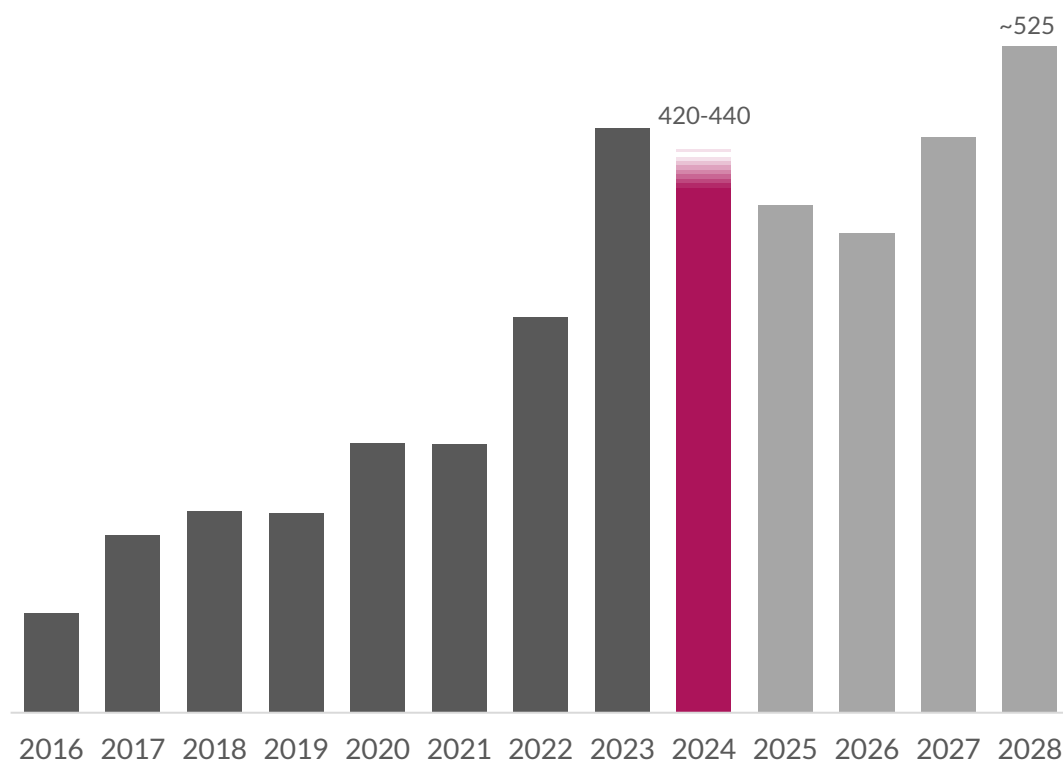


# Development projects to drive growth and value creation

Net volume ~770 mmboe | Net capex USD ~3 billion after tax | Portfolio BE at USD 35-40 per barrel<sup>1</sup>

## Production outlook

mboepd



**Yggdrasil**  
Net ~415 mmboe

- New area hub with several discoveries<sup>2</sup>
- Significant upside potential in the area
- Capex USD 10.7bn (pre-tax)

**Valhall PWP/Fenris**  
Net ~190 mmboe

- New platform at Valhall and UI at Fenris
- Value creation in existing field and robust development of discovery
- Capex USD 5.5bn (pre-tax)

**Alvheim, Skarv, Grieg tie-in projects**  
Net ~170 mmboe

- Nine satellite projects near our operated hubs. Three already in production
- High return projects leveraging existing infrastructure
- Capex USD 4.0bn (pre-tax)

1) Break-even oil price using 10% discount rate

# Aker BP project overview

~770 mmboe net oil and gas volume at net capex of around USD 3 billion after tax

Asset area	Field development	Aker BP ownership	Gross/net volume	Net capex estimate	PDO submission	Production start
Alvheim	Frosk	80.0%	10/8 mmboe	USD 0.2bn	2021	2023 ✓
	Kobra East & Gekko	80.0%	50/40 mmboe	USD 0.9bn	2021	2023 ✓
	Tyrving	61.3%	25/15 mmboe	USD 0.4bn	2022	2024
Grieg/Aasen	Hanz	35.0%	20/7 mmboe	USD 0.2bn	2021	2024 ✓
	Symra	50.0%	87/49 mmboe	USD 1.3bn	Dec-22	2026
	Solveig Phase II	65.0%				2026
Skarv	Alve North	68.1%	119/51 mmboe	USD 1.0bn	Dec-22	2027
	Idun North	23.8%				2027
	Ørn	30.0%				2027
Valhall	Valhall PWP	90.0%	230/187 mmboe	USD 5.5bn	Dec-22	2027
	Fenris	77.8%				2027
Yggdrasil	Hugin	87.7%	650/413 mmboe	USD 10.7bn	Dec-22	2027
	Munin	50.0%				2027
	Fulla	47.7%				2027

# Eventful exploration year so far

## Positive exploration results

- Successful Adriana well: Candidate for tie-in to Skarv
- Successful Trell North well: Already included in Tyrving
- Ringhorne North: Potential tie-in to nearby infrastructure
- Frigg Gamma: Successful geopilot in Yggdrasil area

## The unlocking of Wisting continues

- Positive Wisting geopilot in the quarter
  - Encountered good reservoir quality
  - Important data for evaluation and development of Wisting
- Small gas discoveries at Ferdinand and Hassel

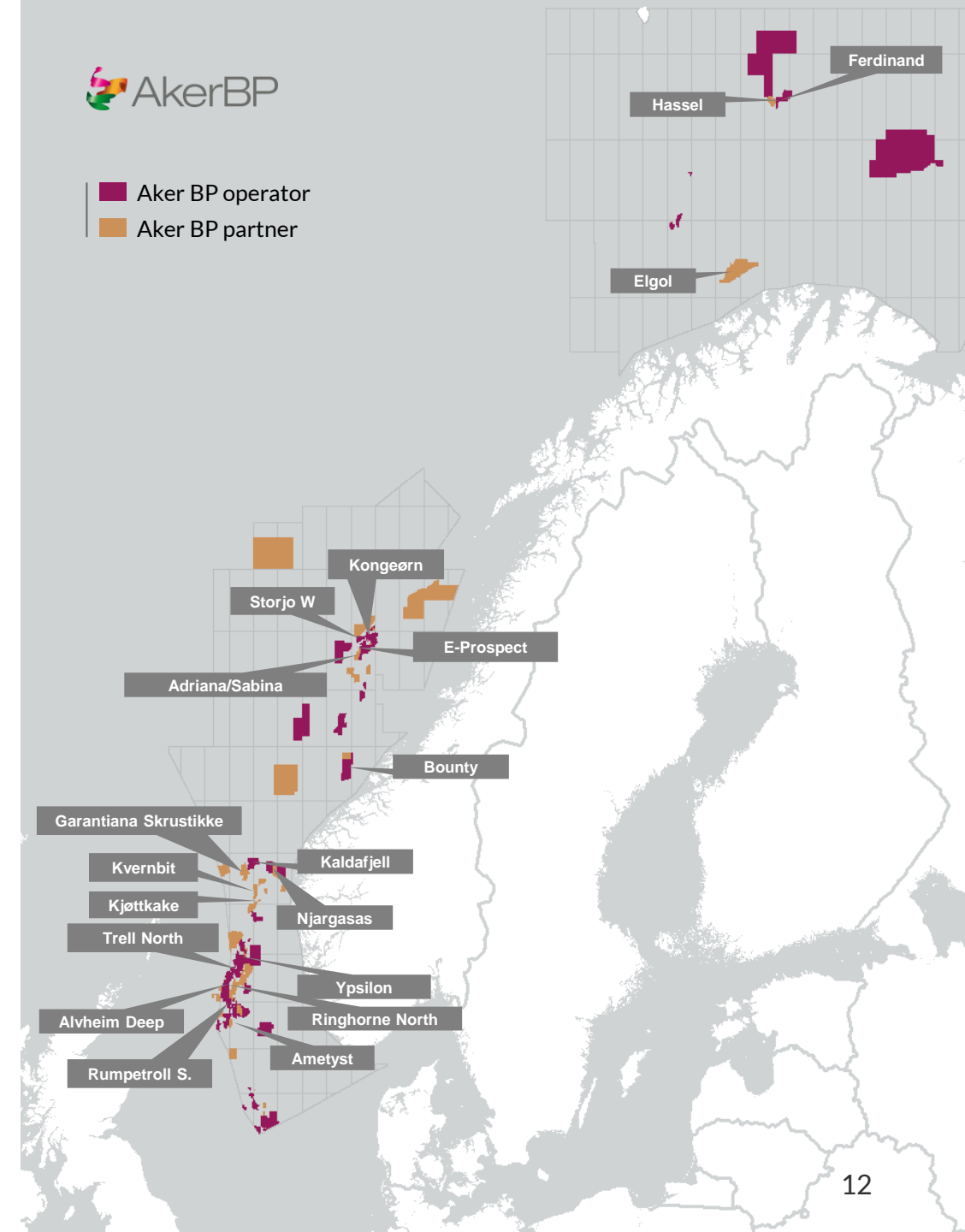




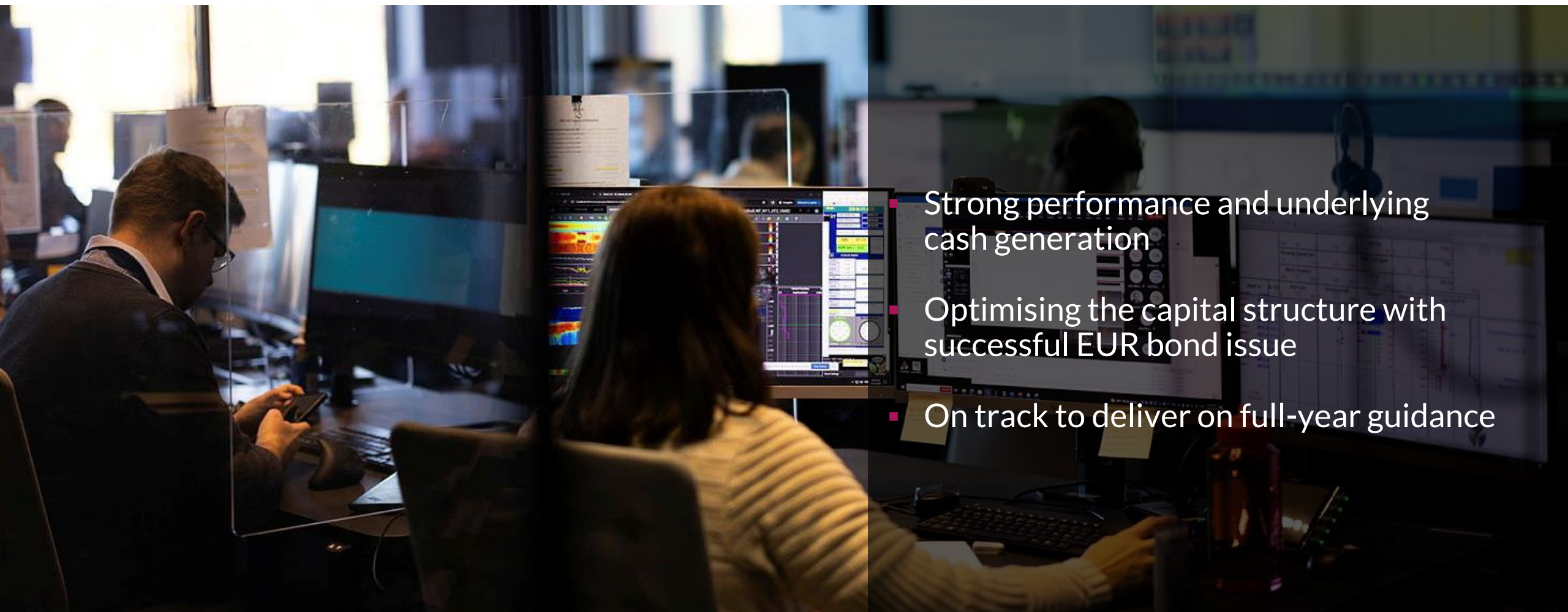
# 2024 exploration program

Licence	Prospect	Operator	Aker BP share	Pre-drill mmboe	Status
PL102G	Trell North*	Aker BP	61%		3-8 mmboe
PL1138	Ametyst	Harbour Energy	30%		6-19 mmboe
PL956	Ringhorne North	Vår Energi	20%		13-23 mmboe
PL211CS	Adriana*	Wintershall Dea	15%		23-45 mmboe
PL442	Ypsilon	Aker BP	88%		Dry
PL203	Alvheim Deep	Aker BP	80%		Dry
PL1170	Ferdinand	Aker BP	35%		Small gas discovery
PL1170	Hassel	Aker BP	35%		Small gas discovery
PL261	Storjo West	Aker BP	70%	4 - 30	Ongoing
PL1185	Kvernbit	Equinor	20%	9 - 65	Q3
PL554	Garantiana Skrustikke	Equinor	30%	26 - 100	Q3
PL211CS	Sabina*	Wintershall Dea	15%	6 - 15	Q3
PL869	Rumpetroll South	Aker BP	80%	10 - 45	Q3
PL932	Kaldafjell	Aker BP	40%	12 - 140	Q3
PL1110	Njargasas	Aker BP	55%	23 - 120	Q4
PL942	Kongeørn	Aker BP	30%	5 - 40	Q4
PL886	Bounty	Aker BP	60%	50 - 400	Q4
PL212	E-Prospect	Aker BP	30%	5 - 10	Q4
PL1182S	Kjøttkake	DNO	30%	19 - 40	Postponed to 2025
PL1131	Elgol	Vår Energi	20%	27 - 180	Postponed to 2025

\*) Appraisal well



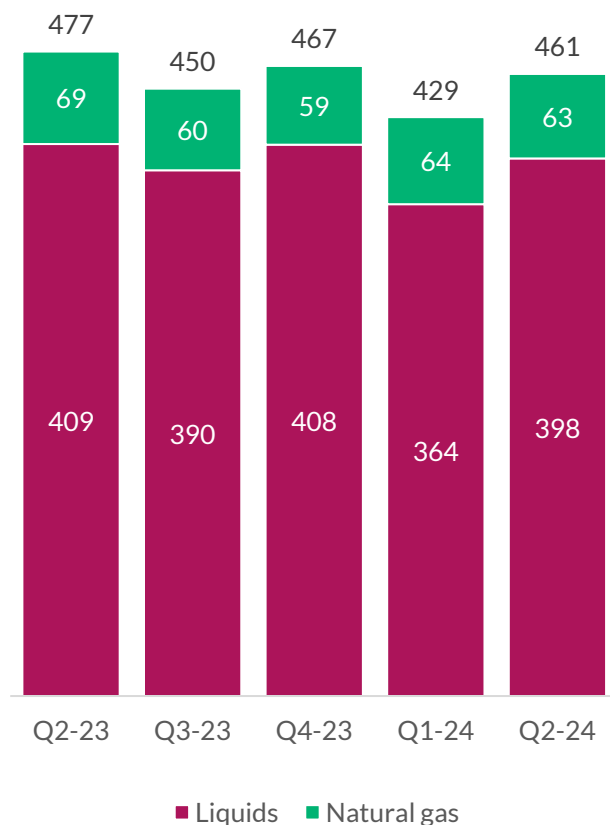
# Financial highlights



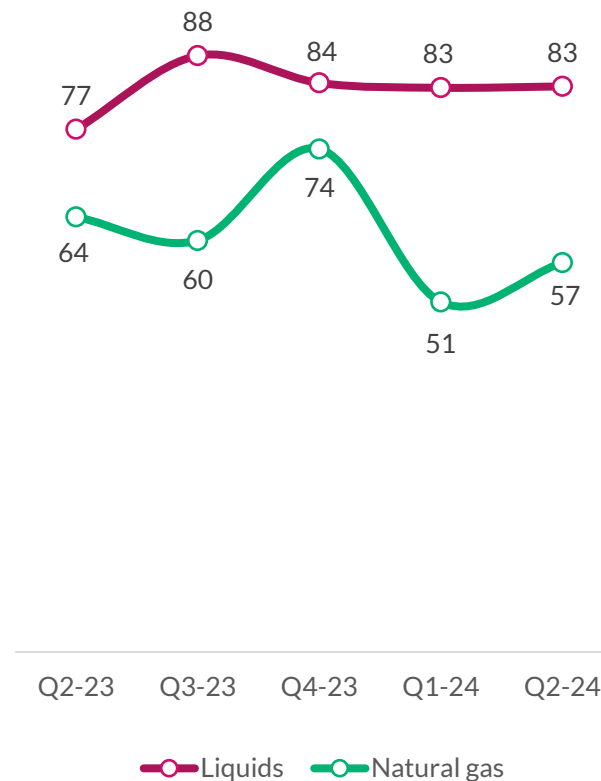
- Strong performance and underlying cash generation
- Optimising the capital structure with successful EUR bond issue
- On track to deliver on full-year guidance

# Sales of oil and gas

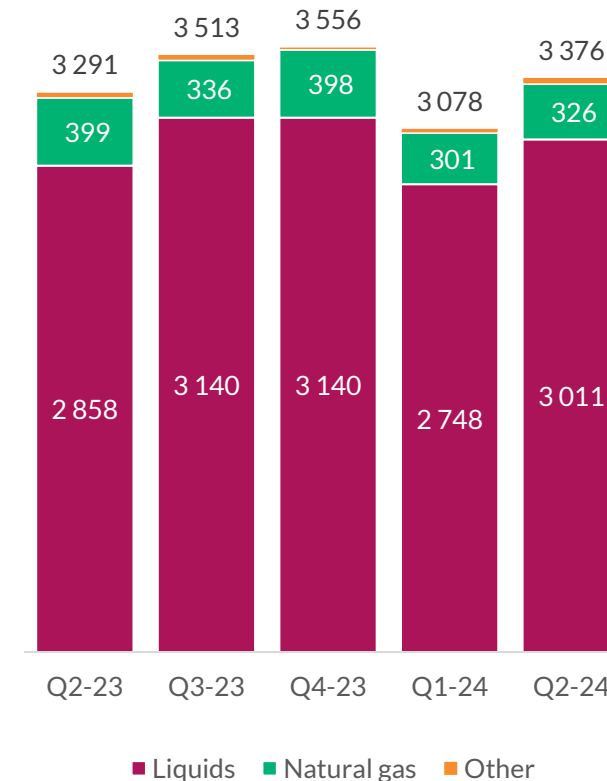
**Volume sold**  
mboepd



**Realised prices**  
USD/boe



**Total income**  
USD million





# Income statement

USD million

	Q2 2024			Q1 2024
	Before impairment	Impairments	Actual	Actual
<b>Total income</b>	<b>3 377</b>		<b>3 377</b>	<b>3 078</b>
Production costs	290		290	211
Other operating expenses	13		13	11
<b>EBITDAX</b>	<b>3 074</b>		<b>3 074</b>	<b>2 855</b>
Exploration expenses	108		108	68
<b>EBITDA</b>	<b>2 966</b>		<b>2 966</b>	<b>2 787</b>
Depreciation	588		588	592
Impairments		83	83	0
<b>Operating profit (EBIT)</b>	<b>2 378</b>	<b>(83)</b>	<b>2 295</b>	<b>2 194</b>
Net financial items	(16)		(16)	(104)
<b>Profit/loss before taxes</b>	<b>2 362</b>	<b>(83)</b>	<b>2 279</b>	<b>2 090</b>
Tax (+) / Tax income (-)	1 718		1 718	1 559
<b>Net profit / loss</b>	<b>644</b>	<b>(83)</b>	<b>561</b>	<b>531</b>
EPS (USD)	1.02		0.89	0.84
<i>Effective tax rate</i>	<i>73 %</i>		<i>75 %</i>	<i>75 %</i>

**461 mboepd (429)**

Oil and gas sales

**\$80 per boe (78)**

Net realised price

**\$6.4 per boe (6.1)**

Production cost

**75% (75%)**

Effective tax rate

# Cash flow

USD million

	Q2-24	Q1-24	Q4-23	Q3-23
Op. CF before tax and WC changes	3 133	2 986	3 204	3 235
Taxes paid	(2 086)	(1 054)	(2 207)	(862)
Changes in working capital <sup>1</sup>	100	(476)	506	(272)
Cash flow – operations	1 147	1 456	1 503	2 101
Cash flow – investments	(1 430)	(1 117)	(1 042)	(944)
<b>Free cash flow</b>	<b>(283)</b>	<b>339</b>	<b>461</b>	<b>1 157</b>
Net debt drawn/repaid	807	-	(0)	(2)
Dividends	(379)	(379)	(348)	(348)
Interest, leasing & misc.	(119)	(110)	(85)	(138)
Cash flow – financing	308	(489)	(433)	(488)
Net change in cash	25	(150)	28	669
<b>Cash at end of period</b>	<b>3 233</b>	<b>3 215</b>	<b>3 388</b>	<b>3 375</b>

**\$-0.28 bn (0.34)**

Free cash flow (FCF)

**\$-0.45 (0.54)**

FCF per share

**\$0.60 (0.60)**

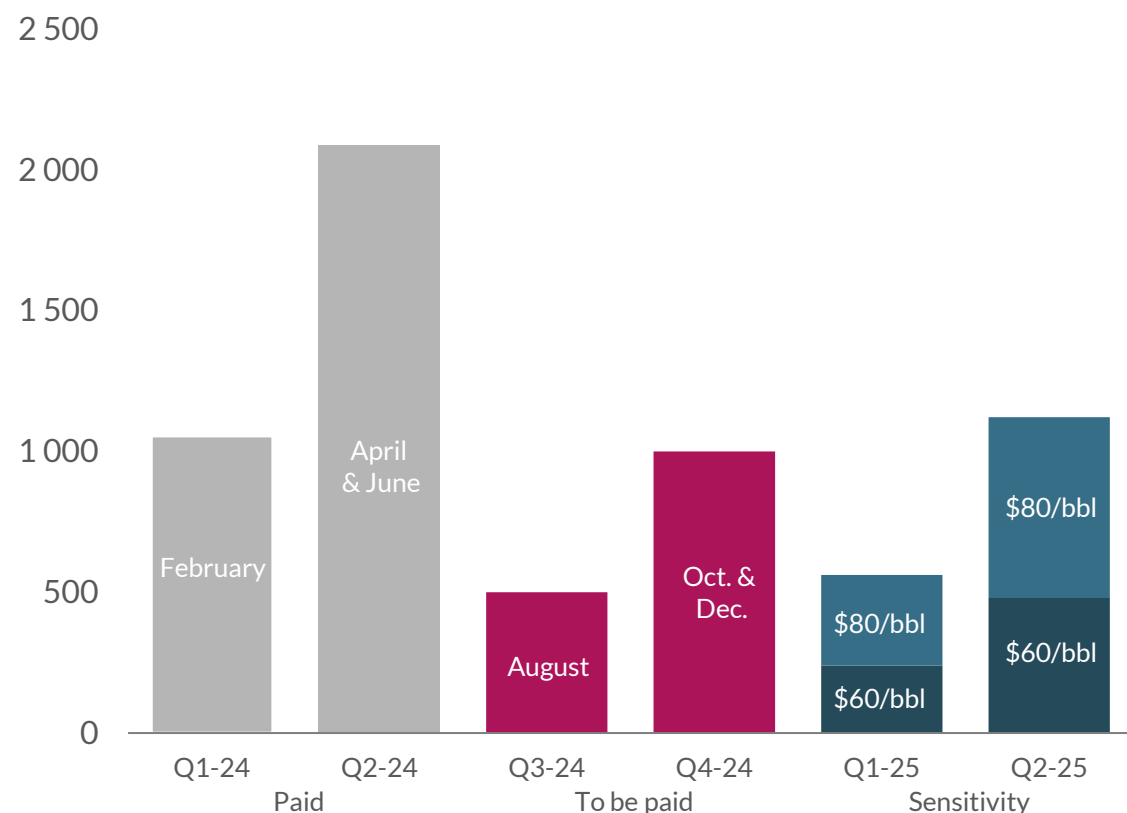
Dividend per share

1) Changes in inventories and trade creditors/receivables

# Near-term tax payments

## Sensitivity for H2-2024

USD million



## Tax instalments

- Tax for the year is paid in six bimonthly instalments with six months delay
- Initial tax estimate for the year is made in Q2, the H2-instalments are then fixed in NOK
- Option for voluntary additional payment in October

## Assumptions for H1-25 sensitivity analysis

- Three oil price scenarios illustrated (average for H2-24)
- Gas prices assumed at USD 9 per mmbtu
- USDNOK rate assumed at 10.0



# Balance sheet

USD million

Assets	30.06.24	31.03.24	31.12.23
PP&E	18 620	17 819	17 450
Goodwill	13 060	13 143	13 143
Other non-current assets	3 307	3 207	3 314
Cash and equivalent	3 233	3 215	3 388
Other current assets	1 997	2 053	1 751
<b>Total Assets</b>	<b>40 218</b>	<b>39 437</b>	<b>39 047</b>

Equity and liabilities			
Equity	12 685	12 514	12 362
Financial debt	6 589	5 791	5 798
Deferred taxes	11 691	11 058	10 592
Other long-term liabilities	4 734	4 674	4 861
Tax payable	2 512	3 444	3 600
Other current liabilities	2 007	1 955	1 833
<b>Total Equity and liabilities</b>	<b>40 218</b>	<b>39 437</b>	<b>39 047</b>

**\$6.6 bn (\$6.6)**

Total available liquidity

**32% (32%)**

Equity ratio

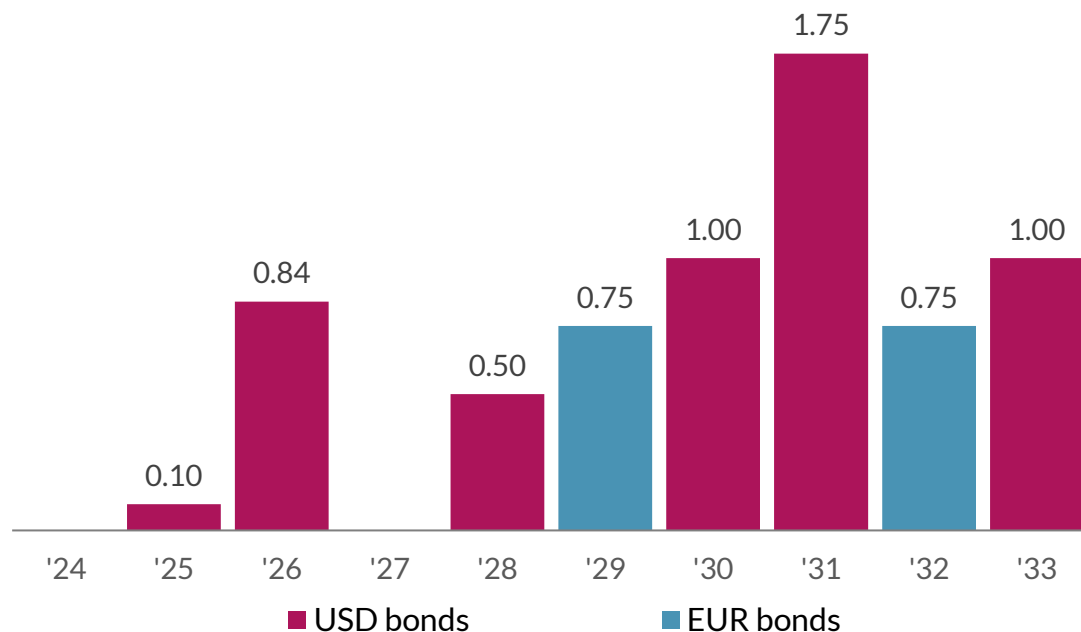
**0.27 (0.21)**

Leverage ratio<sup>1</sup>

# Continuously optimising our capital structure

## Bond maturities

USD/EUR billion



## Senior notes issued in May

- EUR 750 million
- 2032 maturity at 4.0% annual fixed coupon

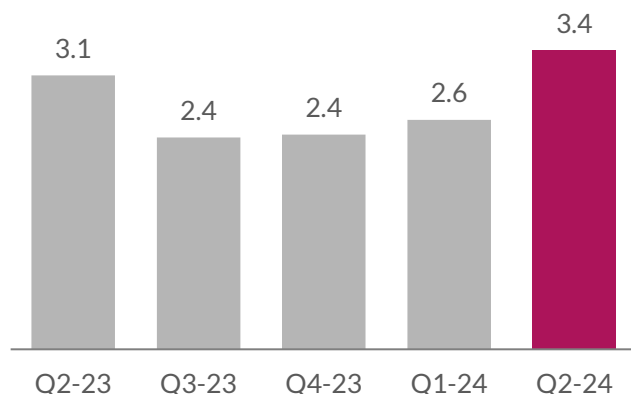
## Strong financial capacity and flexibility

- A robust balance sheet
- Maintaining financial flexibility
  - Available liquidity
  - Manage leverage ratio

# Maintaining financial flexibility

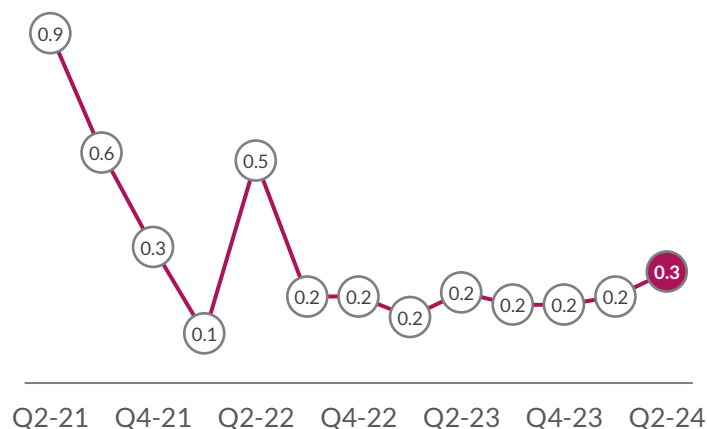
## Net interest-bearing debt

Excl. leases, USD billion



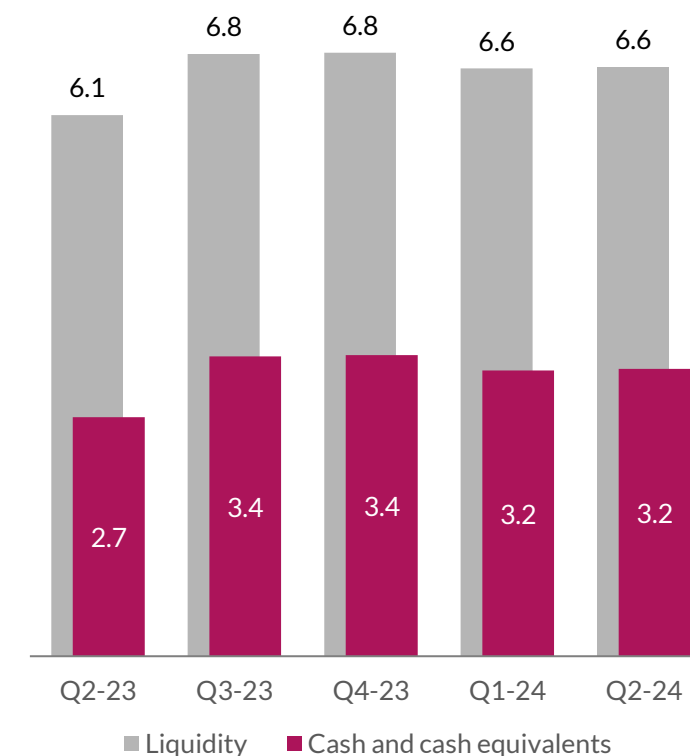
## Leverage ratio<sup>1</sup>

Targeting below 1.5 over time



## Liquidity available<sup>2</sup>

USD billion



Investment grade credit ratings

**S&P Global**  
Ratings

**BBB**

**MOODY'S** **Baa2**

**FitchRatings** **BBB**

1) Leverage ratio: Net interest-bearing debt divided by EBITDAX last 12 months, excluding effects of IFRS16 Leasing 2) Liquidity available: undrawn bank facilities and cash and cash equivalents

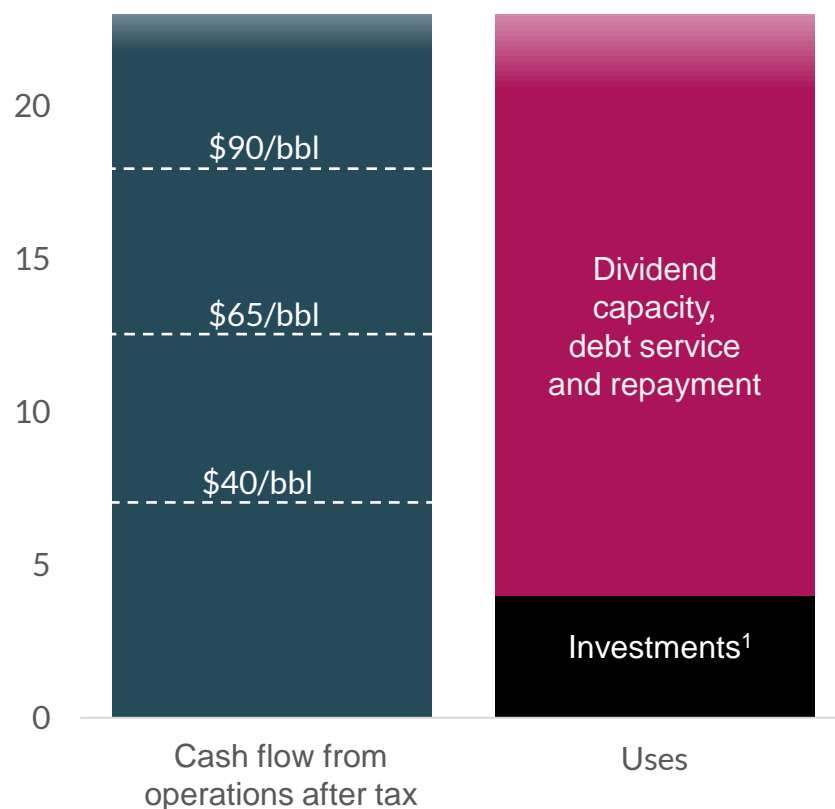


# Dividends

Strong and resilient cash flow as basis for dividend growth

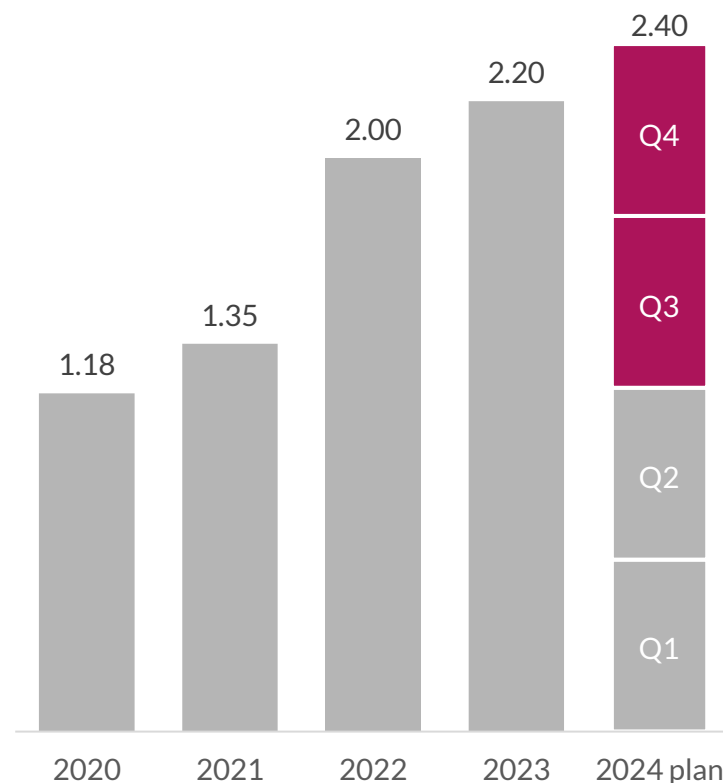
## Aker BP value creation plan 2023-2028

USD billion, accumulated



## Dividends

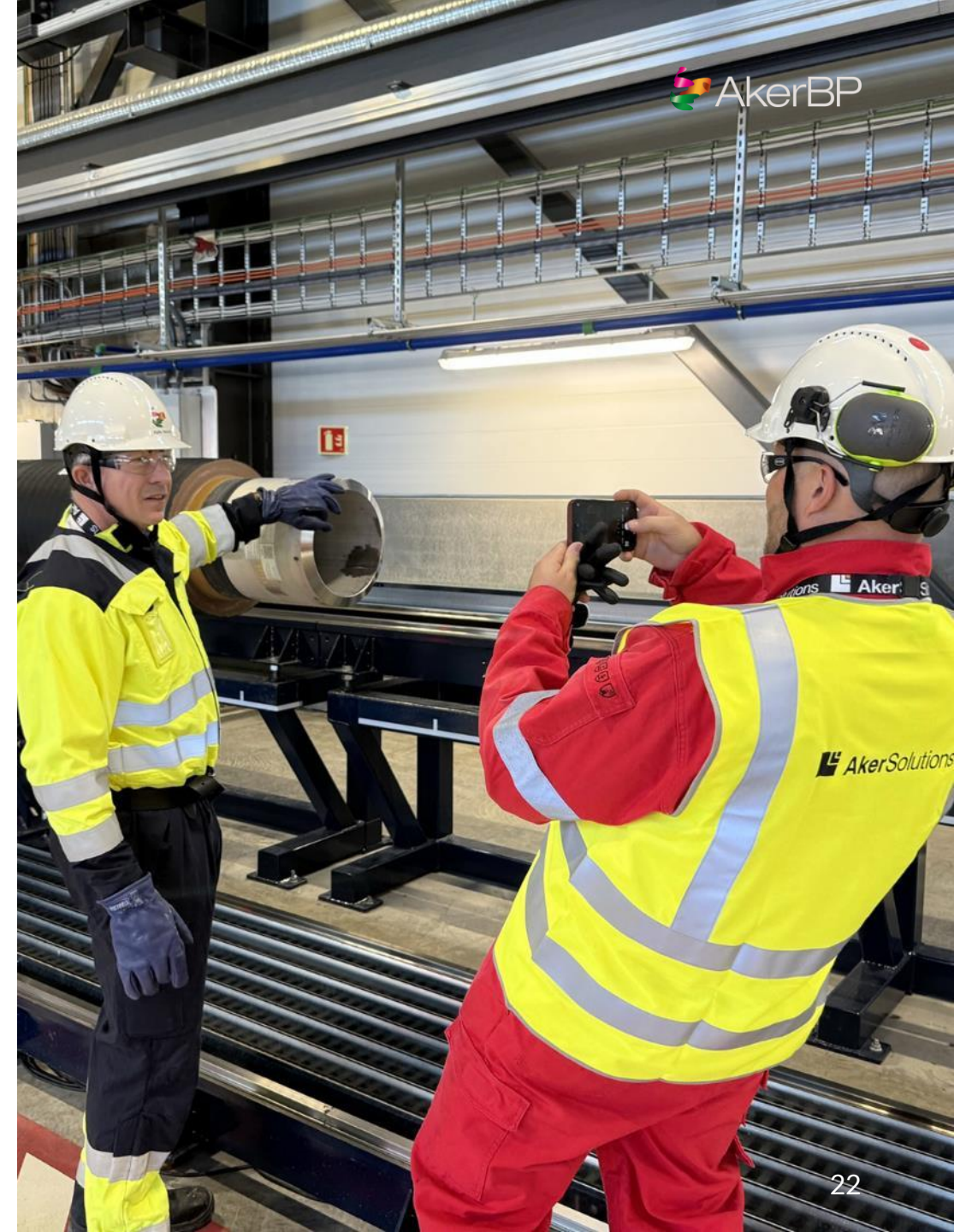
USD per share



- Low-cost production gives resilient dividend capacity
- Distributions shall reflect the capacity through the cycle
- A quarterly dividend of USD 0.60 per share also paid in the second quarter 2024
- ~9% dividend growth in 2024
- Ambition to grow dividend by minimum 5% per year

# 2024 guidance

	Previous guidance	Actual Jan-June	New guidance
<b>Production</b> mboepd	410-440	446	420-440
<b>Production cost</b> USD/boe	~7.0	6.2	~7.0
<b>Capex</b> USD billion	~5.0	2.28	~5.0
<b>Exploration</b> USD billion	~0.50	0.25	~0.50
<b>Abandonment</b> USD billion	~0.25	0.14	~0.25





# Second quarter 2024 - Delivering on the strategy

**Operate safely and efficiently**

444 mboepd with 95% efficiency

Low unit cost of USD 6.4/boe

**Decarbonise our business**

Equity GHG intensity of 2.9 kg CO<sub>2</sub>e/boe

A global leader in low CO<sub>2</sub> emissions

**Deliver high return projects on quality, time and cost**

Project portfolio progressing as planned

Hanz on stream and Tyrving start-up accelerated to October

**Establish the next wave of profitable growth options**

Several discoveries close to existing infrastructure

The unlocking of Wisting continues

**Return maximum value to our shareholders and our society**

Quarterly dividend of USD 0.60 per share

Successful EUR 750 mill bond issue

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