



# OKEA ASA - First quarter 2024 financial results

(Trondheim, 25 April 2024) - OKEA ASA (OSE: OKEA) delivered operating income of NOK 3,474 (2,118) (correction from trading update of NOK 3,422) million and EBITDA of NOK 2,159 (1,661) million in the first quarter of 2024. The cash balance amounted to NOK 2,130 (2,301) million. An impairment charge of NOK 158 million was recognised in the quarter which comprises NOK 260 million of goodwill impairments from Statfjord, partly offset by NOK 102 million in reversal of previous impairments at Yme.

*(Amounts in parentheses refer to previous quarter)*

*“The all-time high production in the quarter follows from the Statfjord acquisition in combination with continued strong performance particularly from our operated assets. At Statfjord we are collaborating closely with the operator to improve production. In March, an investment decision was made for the Bestla field. Bestla is estimated to hold 24 million barrels of oil equivalent in recoverable reserves and will be developed as a tie-back to the Brage field. With OKEA as operator for both licenses, this will enhance synergies and economies of scale for both fields. As announced separately this morning, we are contemplating a new USD 125 million four-year senior secured bond to strengthen liquidity and enhance financial flexibility ahead of investments in the Bestla development”, stated OKEA CEO Svein J. Liknes.*

## First quarter 2024 summary

The all-time high net production to OKEA of 42.1 (30.1) kboepd in the quarter was largely driven by Statfjord area activities included in income statement and key figures. OKEA operated assets continue to perform well with additional volumes at Draugen from Hasselmus. Production from Yme, Ivar Aasen and Nova was stable throughout the quarter. Production at Gjøa was reduced following closing of one well due to sand production.

Sold volumes in the quarter amounted to 46.6 (25.6) kboepd. The increase compared to previous quarter was mainly due to Statfjord volumes and underlift positions at Ivar Aasen and Brage being lifted in the quarter.

The average realised liquids price was USD 82.0 (83.4) per boe and the average realised price for gas was USD 55.1 (74.6) per boe. USD 7.5 (5.9) per boe of the realised gas price was attributable to gain on fixed price contracts.

Other operating income / loss (-) of NOK 53 (81) million mainly consisted of tariff income at Gjøa and Statfjord area of NOK 78 (33) million. This was partly offset by a net hedging loss for oil and CO2 quotas of NOK 17 (net gain of 12) million and an increase in fair value of the contingent considerations to Wintershall Dea and Equinor of NOK 9 (unrealised income of 26) million following an increase (decrease) in forward prices for crude oil.

An impairment charge of NOK 158 (1,876) million was recognised in the quarter. NOK 247 million related to impairment of technical goodwill from the Statfjord area mainly driven by lower expected volumes in 2024. In addition, PPA revisions recognised in the quarter resulted

in impairment of ordinary goodwill of NOK 13 million. The goodwill impairments are not tax deductible and are non-reversible. Partly offsetting was NOK 102 million in reversal of previous impairments at Yme following positive market price developments of crude during the quarter combined with a decrease in expected discount for Yme crude.

Exploration and evaluation expenses amounted to NOK 50 (22) million. General and administrative expenses amounted to NOK 41 (37) million and represent OKEA's share of costs after allocation to license activities.

Cash and cash equivalents amounted to NOK 2,130 (2,301) million. Interest-bearing bond loans amounted to NOK 1,327 (1,246) million and relate to the OKEA04 bond.

2024 production guidance remains unchanged to 35 - 40 kboepd. As capex guidance includes sanctioned projects only, guidance for 2024 increases to NOK 3.2 – 3.7 billion from NOK 2.8 – 3.3 billion following the investment decision for the Bestla development project in March.

OKEA is contemplating a new 4-year senior secured bond with an initial issue amount of USD 125 million, subject to inter alia market conditions. Net proceeds from the contemplated bond issue will be used to fund planned investments on the recently sanctioned Bestla development and general corporate purposes. Please see separate stock exchange notice for further information.

### **Webcast and audioconference**

A presentation of the results will be held today through a webcast and audioconference starting 10:00 CET. The presentation will be held by Svein J. Liknes (CEO) and Birte Norheim (CFO).

The webcast can be followed at [www.okea.no](http://www.okea.no)  
or [OKEA Webcast Q1 2024 \(royalcast.com\)](https://royalcast.com)

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### **About OKEA**

OKEA ASA is a leading mid- to late-life operator on the Norwegian continental shelf (NCS). OKEA finds value where others divest and has an ambitious strategy built on growth, value creation and capital discipline.

OKEA is listed on the Oslo Stock Exchange (OSE:OKEA)

More information at [www.okea.no](http://www.okea.no)