

Vår Energi: First quarter 2023 production update

Sandnes, Norway, 14 April 2023: Vår Energi ASA (OSE: VAR, the "Company") will publish its financial report for the first quarter 2023 on Monday 24 April. Today, the Company provides an update on production and sales volumes and other relevant items.

Vår Energi's net production of oil, liquids and natural gas averaged 214 kboepd in the first quarter of 2023, stable from fourth quarter of 2022 and a decrease of 11% compared to the first quarter of 2022.

The production split in the first quarter was stable from the previous quarter with 62% oil and NGLs (liquids) and 38% gas. During the quarter, the Company continued to reduce NGL recovery to increase gas sales, representing approximately a reduction of 2 kboepd on an annual basis. Total volumes produced in the first quarter were 19.3 mmboe whereas volumes sold in the quarter amounted to 18.0 mmboe.

Vår Energi obtained an average realised price (volume-weighted) of USD 115.9 per boe in the quarter in a continued strong commodity price environment. The realised gas price of USD 175.5 per boe is a result of fixed price contracts and flexible gas sales agreements, allowing for optimisation of indices. The fixed price contracts represented approximately 34% of first quarter gas volumes sold at an average price of approximately USD 283 per boe, substantially above spot markets reference price.

	Q1 2023	Q4 2022	Q1 2022
Production (kboepd)			
Crude oil	119.0	122.4	137.0
Gas	82.0	78.3	85.1
NGL	13.4	13.5	19.9
Total	214.4	214.3	241.9
Realised prices (USD/boe)			
Crude oil price	83.6	86.6	99.6
Gas price	175.5	181.6	163.4
NGL price	54.1	54.7	72.6
Average (volume-weighted)	115.9	115.1	119.8
Volumes sold/lifted (mmboe)			
Crude oil	10.5	12.6	12.4
Gas	6.6	6.6	7.1
NGL	0.9	1.3	1.2
Total	18.0	20.5	20.7
Total production (mmboe)	19.3	19.7	21.8
Over/(Underlift) (mmboe)	-1.7	0.8	-1.1

Other items

Vår Energi's functional currency is NOK, whilst interest-bearing loans are in USD. The weakening of the NOK in the first quarter 2023 is expected to lead to a related net exchange rate loss of approximately USD 127 million.

As previously communicated, the following items impacted the free cash flow in the first quarter: Cash tax payments of NOK 5.8 billion (USD ~577 million) and a dividend payment for the fourth quarter of USD 300 million, paid in March 2023.

The information above is based on a preliminary assessment of the Company's first quarter 2023 financial results and may be subject to change until the financial statements have been finally approved and published by the Company.

First quarter webcast and conference call

Vår Energi will release its quarterly results on 24 April at 07:00 CET. A webcast and conference call followed by Q&A will be held at 10:00 CET, hosted by CEO Torger Rød and CFO Stefano Pujatti.

You can follow the webcast with supporting slides, available on:
<https://app.webinar.net/ql5Zo7Dj2Ga>

To access the conference call, please pre-register at:
<https://www.netroadshow.com/events/login?show=2ddba022&confId=48670>

You will receive access details via email.

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About Vår Energi

Vår Energi is a leading independent upstream oil and gas company on the Norwegian continental shelf (NCS). We are committed to deliver a better future through responsible value driven growth based on over 50 years of NCS operations, a robust and diversified asset portfolio with ongoing development projects, and a strong exploration track record. Our ambition is to be the safest operator on the NCS, the partner of choice, an ESG leader and a net-zero producer (Scope 1 and 2) by 2030. Vår Energi has more than 900 employees and equity stakes in 36 fields producing net 220,000 boe per day in 2022. We have our headquarters outside Stavanger, Norway, with offices in Oslo and Hammerfest. To learn more, please visit varenergi.no.

This information is subject to disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

