



Vår Energi reports second quarter 2023 results

Sandnes, Norway, 25 July 2023: Vår Energi ASA (OSE: VAR) delivered a solid performance on operated assets, realised continued high gas prices and met key milestones on the Balder X project in the second quarter.

Total income in the quarter was USD 1 436 million in the quarter, a decrease of 31% from the first quarter of 2023, mainly due to lower commodity prices. Profit before taxes was USD 701 million, down 45% compared to the previous quarter. Cash flow from operations (CFFO) was USD 231 million, a reduction from USD 1 358 million in the previous quarter, primarily impacted by lower revenues and higher tax payments.

In June, the Company announced the acquisition of Neptune Energy's Norwegian oil and gas assets to accelerate growth and value creation. The acquisition will add scale, robustness, diversification and longevity to Vår Energi's portfolio.

In May, the Company paid a dividend of USD 270 million (NOK 1.1488 per share) for the first quarter of 2023 and a further USD 270 million (NOK 1.091 per share) for the second quarter will be distributed on 14 August. The Company plans to distribute a dividend of USD 270 million for the third quarter of 2023 and approximately 30% of CFFO after tax for the full year.

Highlights:

- Continued safe operations, no actual serious incidents in the quarter
- Production of 202 kboepd in the quarter, a decrease from the first quarter mainly due to seasonal maintenance and partner-operated turnarounds which extended beyond plan
- Fenja, Hyme and Bauge came on stream in April, somewhat behind plan, with irregular production following operational issues at the Njord host
- Production, production cost and development capex guidance for 2023 is maintained
- Achieved realised price of USD 81.9 per boe in the quarter (oil USD 78.5 per boe, gas USD 98.5 per boe)
- Second quarter production cost of USD 15.5 per boe, reflecting the net impact of lower production and higher maintenance activity
- Project portfolio progressing according to schedule including re-float of the Jotun FPSO in June
- Strong ESG rating, ranked as 12th of 300 rated oil and gas producers in new Sustainalytics rating
- Entered into long-term strategic partnership with Halliburton for drilling services
- Successful issue of EUR 600 million senior notes, under the recently established Euro Medium Term Note programme

"We are delivering on our strategic priorities with a continued strong safety performance, high uptime on operated assets, solid price realisation and good progress on the development projects which are set to deliver more than 50% production growth by end-2025. The agreement to acquire Neptune Energy Norway to accelerate growth and value creation is a major milestone in the execution of our strategy. It will add scale, diversification and longevity to our portfolio, underpin our production growth and strengthen future dividend capacity." said Torger Rød, CEO of Vår Energi.

Webcast and conference call

The company will today hold a webcast and conference call followed by Q&A at 10:00 CET hosted by CEO Torger Rød and CFO Stefano Pujatti.

You can follow the webcast with supporting slides, available on:
<http://events.webcast.no/vaar-energi/quarterly-reports/w5dMwrkbW1bpSrZwj5pT>

The report, presentation and webcast will be available at www.varenergi.no.

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 with a tangible plan to reduce emissions from our operations by 50% within 2030.

Vår Energi has around 1000 employees and equity stakes in 39 fields and the company produced net 208,000 boe per day in first half of 2023. We have our headquarters outside Stavanger, Norway, with offices in Oslo and Hammerfest. To learn more, please visit varenergi.no.

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This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act. This stock exchange release was published by Ida Fjellheim, Head of Investor Relations at Vår Energi ASA, on 25 July 2023 at 07:00 CET.