

Vår Energi: Fourth quarter and full year 2023 trading update

Sandnes, Norway, 25 January 2024: Vår Energi ASA (OSE: VAR, the "Company") will publish its financial report for the fourth quarter and full year 2023 on Tuesday 13 February. Today, the Company provides an update on production, sales volumes and other relevant items.

Vår Energi's net production of oil, liquids and natural gas averaged 225 kboepd in the fourth quarter of 2023, an increase of 7% from the third quarter and an increase of 5% compared to the fourth quarter of 2022. The increased production in the quarter was a result of reduced turnaround activity and the start-up of the Breidablikk and Tommeliten A fields. The total production for the full year averaged 213 kboepd, within the guided range of 210-220 kboepd. The December exit rate for 2023 was 233 kboepd.

The production split in the fourth quarter was 67% oil and NGLs (liquids) and 33% gas. Total volumes produced were 20.7 mmboe whereas volumes sold in the quarter amounted to 20.0 mmboe. Vår Energi obtained a strong average realised price (volume-weighted) of USD 84 per boe in the quarter. The realised crude price was USD 85 per barrel. The realised gas price of USD 90 per boe is a result of fixed price contracts and flexible gas sales agreements, allowing for optimisation of indices. The fixed price contracts represented 25% of fourth quarter gas volumes sold at an average price of approximately USD 130 per boe, substantially above the spot market reference price.

Other items

Vår Energi's functional currency is NOK, whilst interest bearing debt is in USD and EUR. The strengthening of the NOK in the fourth quarter of 2023 led to a net exchange rate gain of USD 86 million.

As a result of the company history of mergers and acquisitions, Vår Energi has several assets that were initially recognised at fair value including technical goodwill in the balance sheet. Changes in assumptions, cost and production profiles can result in impairments and reversals.

Non-cash impairment charges are estimated to be around USD 530 million before tax (around USD 117 million post tax) for the fourth quarter, related to the Balder field. The impairment was triggered by reduced commodity prices and increased cost.

As previously communicated, the following items impacted the free cash flow in the quarter: Cash tax payment of NOK 6.1 billion (approximately USD 0.6 billion) and a dividend payment for the third quarter of USD 270 million, paid in November 2023.

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

Production (kboepd) <sup>1</sup>	Q4 2023	Q3 2023	Q4 2022	FY 2023	FY 2022
Crude oil	138.0	125.6	122.4	124.4	123.7
Gas	73.8	70.9	78.3	74.9	81.7
NGL	13.1	13.2	13.5	13.6	14.7
Total	224.9	209.7	214.3	212.9	220.1
Realised prices (USD/boe)					
Crude oil price	84.8	87.1	86.6	83.7	101.7
Gas price	89.5	90.8	181.6	115.3	174.5
NGL price	46.9	42.5	54.7	44.2	65.4
Average (volume weighted)	83.9	85.0	115.1	91.4	124.1
Sales volumes (mmboe)					
Crude oil	12.7	11.9	12.6	45.2	45.9
Gas	6.1	5.8	6.6	24.4	27.1
NGL	1.2	1.4	1.3	5.0	5.8
Total	20.0	19.0	20.5	74.5	78.8
Total production (mmboe)	20.7	19.3	19.7	77.7	80.3
Over / (Underlift) (mmboe)	(0.7)	(0.3)	0.7	(3.2)	(1.5)

<sup>1</sup>Including fuel gas

**Fourth quarter webcast and conference call**

Vår Energi will release its quarterly results on 13 February at 07:00 CET. A webcast and conference call followed by Q&A will be held at 10:00 CET, hosted by CEO Nick Walker and CFO Stefano Pujatti.

You can follow the webcast with supporting slides, available on:  
<https://events.webcast.no/vaar-energi/quarterly-reports/netnA2CN8L0jicuTZ2MX>

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

Vår Energi has around 1000 employees and equity stakes in 40 fields and the company produced net 213 kboepd in 2023. We have our headquarters outside Stavanger, Norway, with offices in Oslo and Hammerfest. To learn more, please visit [varenergi.no](http://varenergi.no).

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