

Vår Energi: Fourth quarter and full year 2024 trading update

Sandnes, Norway, 28 January 2025: Vår Energi ASA (OSE: VAR, the "Company") will publish its financial report for the fourth quarter and full year 2024 on Tuesday 11 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 278 kboepd in the fourth quarter of 2024, an increase of 8% from the third quarter and an increase of 23% compared to the fourth quarter of 2023. The total production for the full year averaged 280 kboepd, within the guided range for the year.

The production split in the fourth quarter was 64% oil and NGLs (liquids) and 36% gas. Total volumes produced were 25.6 mmboe whereas volumes sold in the quarter amounted to 22.7 mmboe. The underlift position is mainly due to timing of crude liftings in the quarter. Vår Energi obtained an average realised price (volume-weighted) of USD 73 per boe in the quarter. The realised crude price was USD 73 per barrel. The realised gas price of USD 78 per boe is below the spot market reference price, mainly due to a portion of the gas being sold on a month-ahead basis in a rising price market, whereas the impact will be the opposite in a falling price market. In addition, fixed price contracts represented approximately 6% of fourth quarter gas volumes sold at an average price of approximately USD 73 per boe.

Other items

Vår Energi Norge AS is consolidated as of 1 January 2024.

Vår Energi's functional currency is NOK, whilst interest bearing loans are mainly in USD. The weakening of the NOK in the fourth quarter of 2024 led to a net unrealised (non-cash) exchange rate loss of approximately USD 300 million.

As a result of the company history of mergers and acquisitions, Vår Energi has several assets where the carrying value is close to estimated fair value in the balance sheet. Changes in assumptions, cost and production profiles can result in impairments and reversals.

Non-cash impairment reversal in the fourth quarter is estimated to be around USD 410 million pre-tax (around USD 90 million post tax) related to reversal on Balder field mainly due to changes in production profiles. In addition, there are impairments on Njord area and Snøhvit area of around USD 100 million (around USD 100 million post tax) due to impairment of technical goodwill. The impairments were triggered by changes in reserves.

Impairment of goodwill and exchange rate loss results in a significantly higher tax rate in the quarter, compared to previous quarters.

As previously communicated, the following items impacted the free cash flow in the quarter: cash tax payment totaling approximately NOK 8.4 billion (USD 0.77 billion) and a dividend payment for the third quarter of USD 270 million, paid in November.

The information above is based on a preliminary assessment of the Company's fourth quarter 2024 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 2024	Q3 2024	Q4 2023	FY 2024	FY 2023
Crude oil	159	154	138	161	124
Gas	101	86	74	100	75
NGL	18	16	13	19	14
Total	278	256	225	280	213
Realised prices (USD/boe)					
Crude oil price	73	81	85	81	84
Gas price	78	76	89	73	115
NGL price	48	46	47	47	44
Average (volume weighted)	73	76	84	75	91
Sales volumes (mmboe)					
Crude oil	12.4	14.2	12.7	56.3	45.2
Gas	8.6	7.7	6.1	33.4	24.4
NGL	1.7	2.0	1.2	8.0	5.0
Total	22.7	24.0	20.0	97.7	74.5
Total production (mmboe)	25.6	23.6	20.7	102.5	77.7

<sup>1</sup> Produced figures are including fuel gas not for sale

Q4 2024 and Capital Markets Update webcast

Vår Energi will release its quarterly results on 11 February at 07:00 CET. A presentation and webcast including an update on the Company's growth strategy and plan will take place in Oslo at 14:00 CET, as part of the Company's Capital Markets Update. You can follow the webcast with supporting slides, available on: <https://event.plaii.no/cmu>

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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 1400 employees and equity stakes in 40 producing fields. We have our headquarters outside Stavanger, Norway, with offices in Oslo, Hammerfest and Florø. 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.

