



OKEA ASA - Fourth quarter 2022 financial results

(Trondheim, 31 January 2023) - OKEA ASA (OSE: OKEA) reported total operating income of NOK 1,664 (2,143) million and EBITDA of NOK 1,086 (1,636) million in the fourth quarter of 2022. Net profit after tax in the quarter was record high NOK 324 (104) million.

(Amounts in parentheses refer to previous quarter)

“OKEA delivers record high net profit after tax in the quarter. The acquisition of assets from Wintershall Dea and transfer of operatorship on Brage was completed according to plan on 1 November and demonstrated OKEA’s ability to execute substantial and complex transactions for a second time. Our production is expected to increase by 40-50% in the coming year and OKEA remains well positioned to further execute on our growth ambitions and deliver value”, said OKEA CEO Svein J. Liknes.

Fourth quarter 2022 summary

Net production to OKEA in the fourth quarter was 19,887 (16,064) boepd or 21,450 boepd when including the full quarter impact from the new assets. Draugen, Gjøa and Ivar Aasen produced according to plan. Production at Brage was impacted by certain start-up issues following completion of the turnaround in September which were mitigated in November. Production efficiency on Yme improved somewhat in the quarter. However, expected plateau production has been pushed back to mid-2023. Production on Nova was impacted by challenges with the water injectors which was partly mitigated by the end of the quarter.

In the quarter, OKEA had a significant underlift position of 4,198 boepd which limits sold volumes to 16,322 (17,264) boepd. Compensation volumes from Duva and Nova amounted to 633 (431) boepd in the quarter.

Average realised liquids price was USD 95.2 (106.6) per boe and average realised price for gas was USD 112.6 (194.8) per boe.

Other operating income/loss (-) amounted to NOK 149 (30) million and comprise tariff income at Gjøa of NOK 40 (42) million, change in fair value of contingent consideration to Wintershall Dea of NOK 12 (0) million, income from joint utilisation of logistic resources of NOK 10 (9) million, and a net gain from gas forward contracts of NOK 86 (loss of -21) million.

A non-cash impairment charge of NOK 251 (609) million was recognized on the Yme asset in the quarter. The impairment charge was mainly due to a re-phasing of volumes due to expected low plant availability. The related tax income impact was NOK 196 (475) million, resulting in a net after tax effect of NOK 55 (134) million.

At the end of the quarter, cash and cash equivalents amounted to NOK 1,104 (2,668) million. The reduction in cash balance was mainly due to total tax payments of NOK 1,201 (509) million and payment of a net consideration of NOK 1,103 (0) million for settlement of the transaction with Wintershall Dea. Net interest-bearing debt was NOK 75 (-1,371) million.

OKEA paid dividend of NOK 104 (104) million in the quarter. The board of directors has also approved a cash dividend of NOK 1.00 per share for the first quarter of 2023, which will be paid in March.

Webcast and audioconference

A presentation of the results will be held today through a webcast and audioconference starting 08:00 CET. The presentation will be held by Svein J. Liknes (CEO) and Birte Norheim (CFO).

The webcast can be followed at www.okea.no
or http://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20230131_1

Dial in details for the audioconference:

NO: +47 2195 6342

DK: +45 7876 8490

SE: + 46 8 1241 0952

UK: +44 203 769 6819

US: +1 646-787-0157

PIN Code: 681934

For further information, please contact:

VP IR & Communication, Anca Jalba

anca.jalba@okea.no

+47 410 87 988

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