

Third quarter 2023

Results presentation | 24 Oct 2023



Today's Vår Energi presenters



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Third quarter 2023 highlights

Accelerating growth target to ~400 kboepd by end-2025

- Set for ~100% production growth from Q3 2023
- Breidablikk and Tommeliten A successfully on stream
- Remaining project portfolio progressing to schedule, five more than 50% complete
- 80% exploration success in 2023
- Neptune Energy Norge acquisition expected to close Q1 2024

Delivering production and improved opex

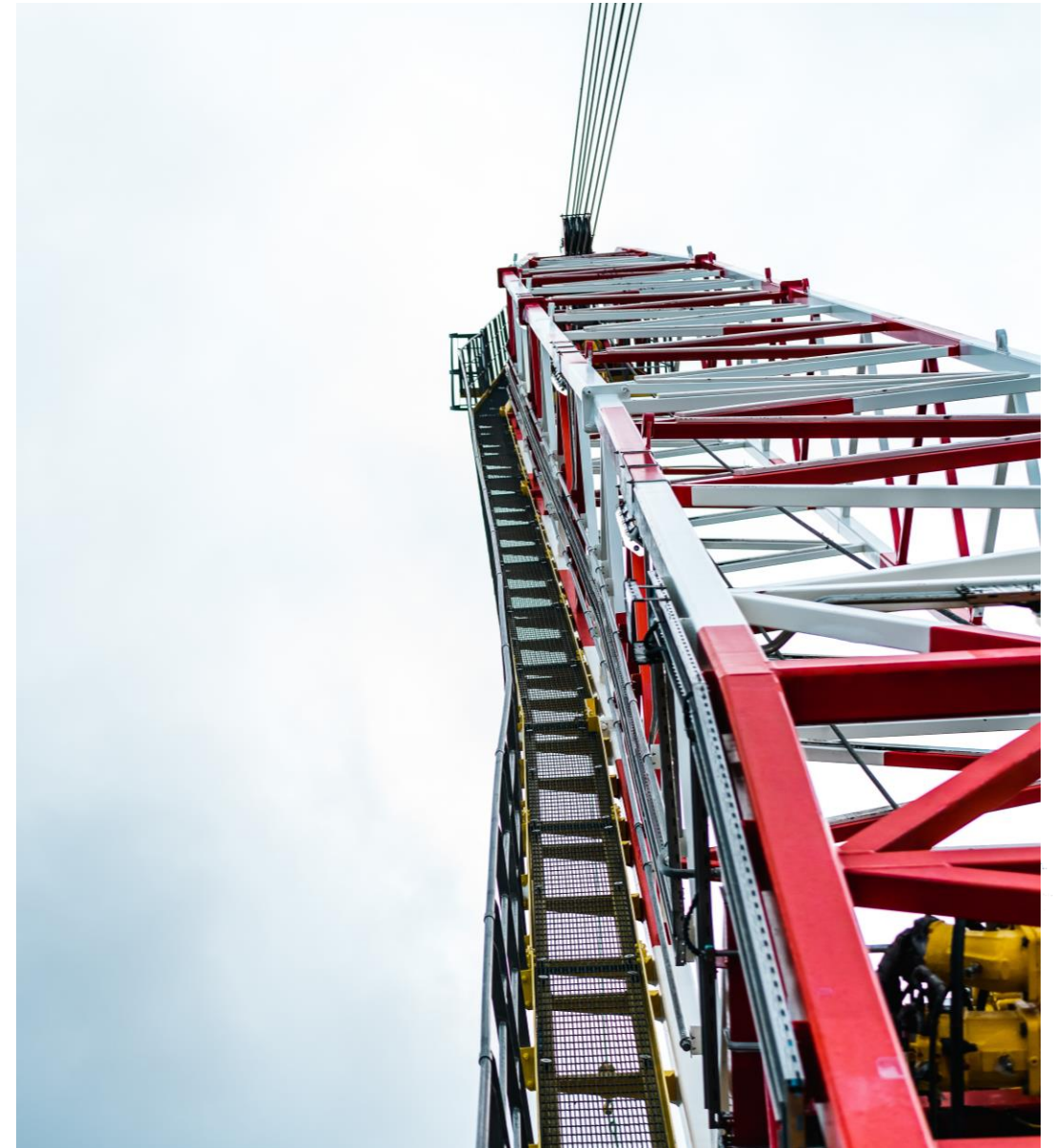
- Production of 210 kboepd in Q3, on track for exit rate of >230 kboepd by year-end
- Production cost of USD 14.0 per boe

Strong financial performance

- Strong realised gas price of USD 91 per boe, USD 27 per boe above spot price
- Cash flow from operations (CFFO) of USD 975 million, an increase from USD 231 million in the previous quarter

Attractive and predictable shareholder distribution

- Strong balance sheet with leverage ratio of 0.5x at end-Q3 2023
- Dividend guidance of USD 270 million for Q4 2023



Neptune acquisition progressing towards completion

Perfect strategic fit

- 12 producing assets, of which 3 operated, located in Vår Energi's hub areas
- Adding 66 kboepd of production¹, ~265 mmboe of 2P reserves²
- Attractive commodity mix and strategic ownership in Snøhvit LNG
- Highly cash-generative portfolio with low cost, limited near-term capex and low emissions
- Strengthening future dividend capacity

Status

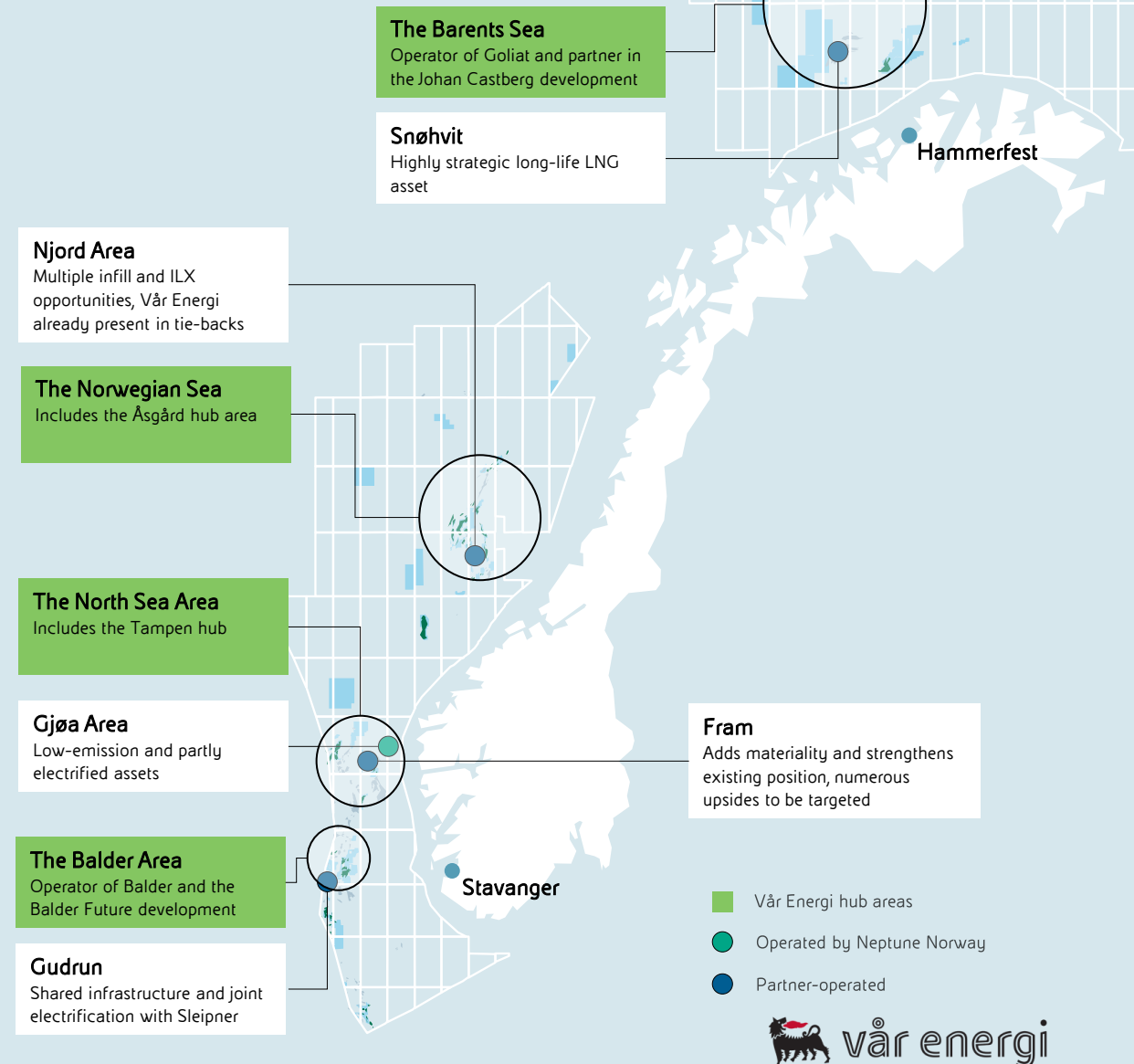
- Regulatory approvals obtained from the Norwegian Ministry of Petroleum and Energy and the Competition Authority³

1. H1 2023 production for Neptune Energy's Norwegian oil and gas assets

2. As at end-2022 (Neptune group ASR 2022)

3. Completion inter-conditional of approval of Eni's transaction with Neptune

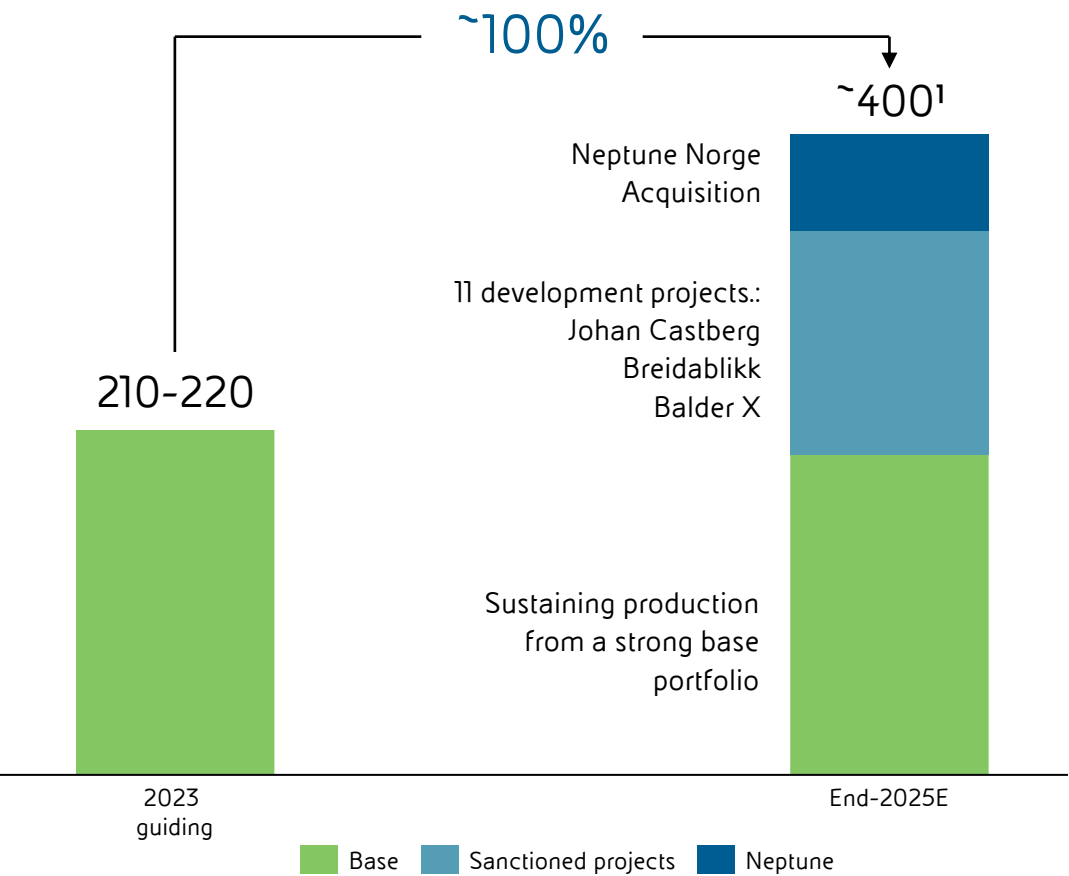
Neptune Norway's high-quality NCS assets located near existing hub areas



Set to double production by end-2025

Production target including Neptune Energy Norge

kboepd



Sustaining value creation beyond 2025

Infill drilling, improved recovery and extended lifetime

Maturing a high value project portfolio

World-class exploration capabilities and track record

Value accretive M&A

Key performance indicators

Q3 2023 vs. Q2 2023

Production

210 kboepd

(202)

Cash flow from operations

USD 975m

(231)

Capex

USD 650m

(687)

Production cost per boe

USD 14.0

(15.5)

Dividend for the quarter

USD 270m

(270)

NIDB/EBITDAX

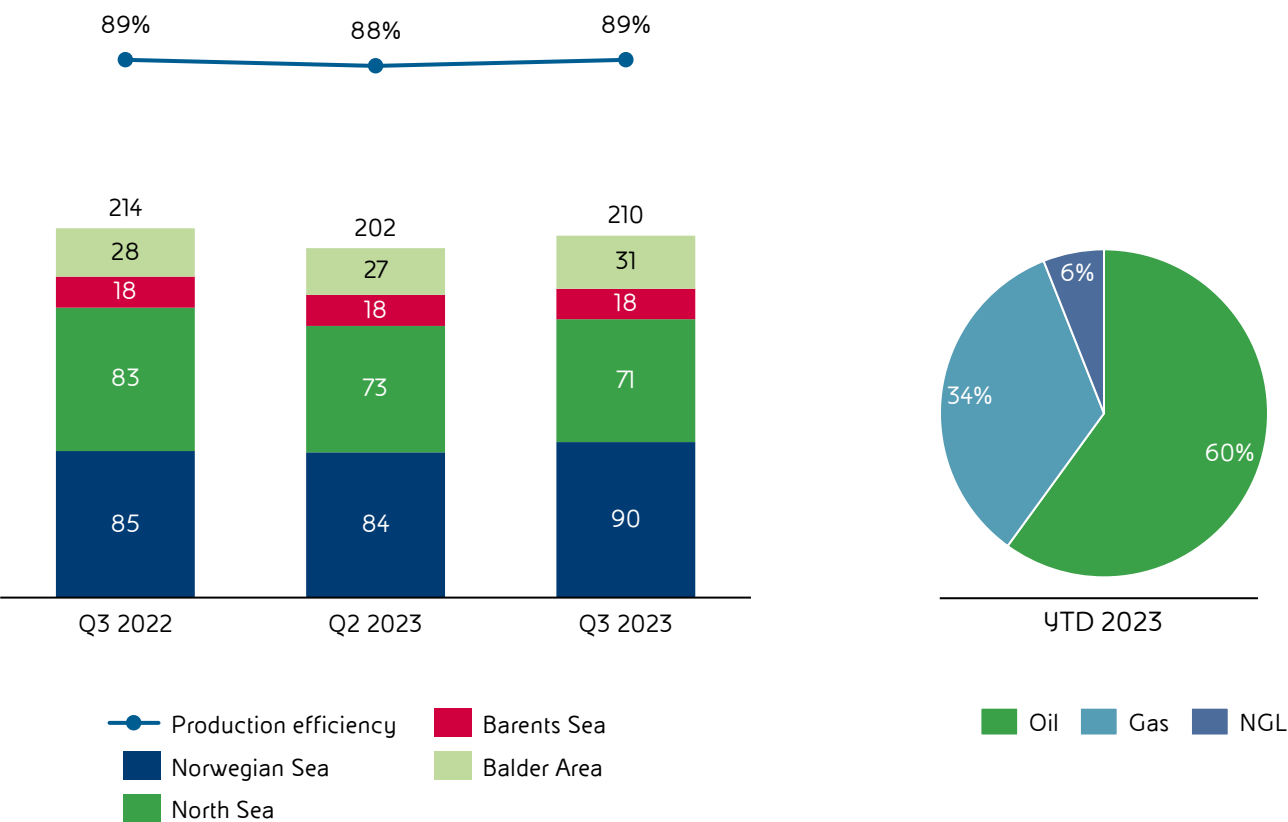
0.5x

(0.4)

Major turnarounds completed

Production, production efficiency¹ and product mix

kboepd



210-220 kboepd

Full-year 2023 guidance

> 230 kboepd

Exit rate 2023²

- Breidablikk and Tommeliten A successful start up

1. Vår Energi operated assets
2. December 2023 average

Solid delivery on operated assets

Goliat

- Strong performance with 99% production efficiency
- Secured rig capacity for a two-year drilling program in the Barents sea together with Equinor

Balder/Ringhorne

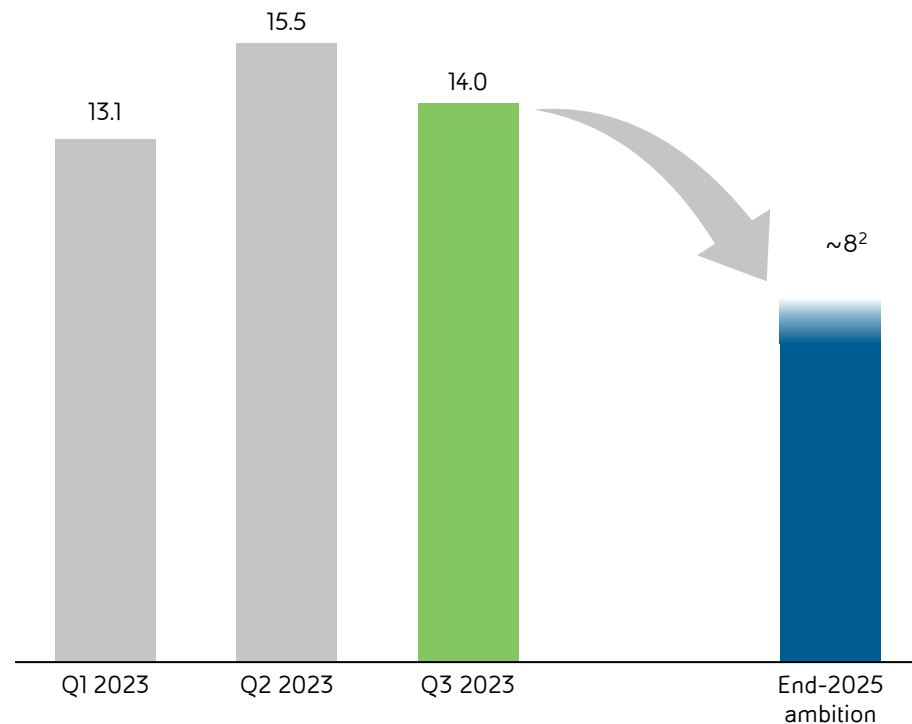
- Production efficiency of 79% due to turnaround in the quarter
- Riser at Ringhorne successfully replaced
- High activity period at Balder FPU completed on time and schedule
- New well on Ringhorne started production



On target to beat full year opex guidance

Production cost per boe produced¹

USD per boe



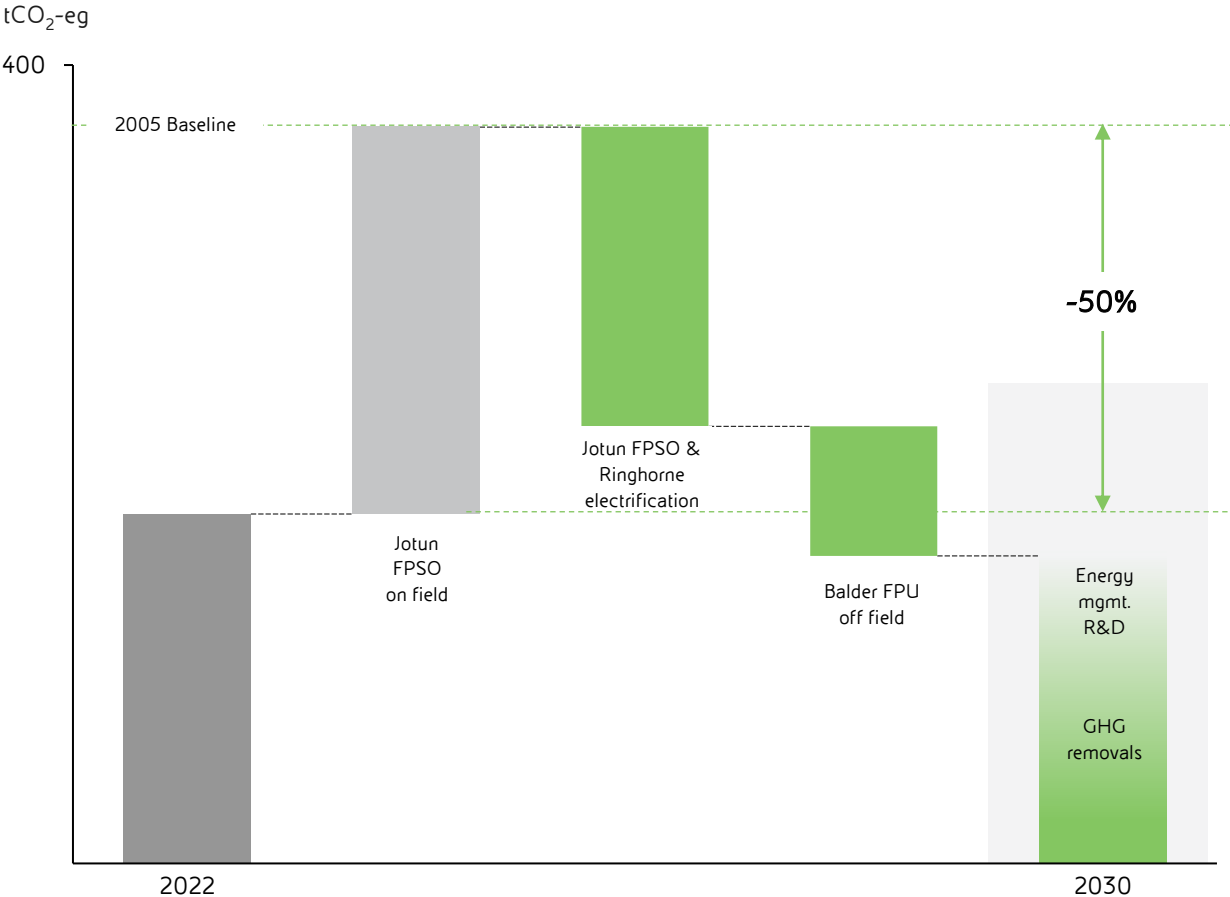
- Quarterly production cost impacted by seasonal maintenance
- Full-year 2023 opex per boe guidance of USD 14.5 to 15.5
- Medium-term ambition of ~8 USD² per boe
 - Sanctioned projects coming on stream
 - Cost improvement programme
 - Active portfolio management and optimisation
- Neptune production cost supporting the end-2025 ambition

1. Measured as production costs including transportation costs and accounting for tariffs

2. In real 2021 terms

Recognised ESG leadership through responsible operations

Clear path to 50% emission reduction by 2030¹



11.1 kg/boe

CO₂ emission intensity Q3 2023²

0.0

Actual SIF Q3 2023³

Top 5%

in the industry

A+ rating

ESG100

Sustainalytics

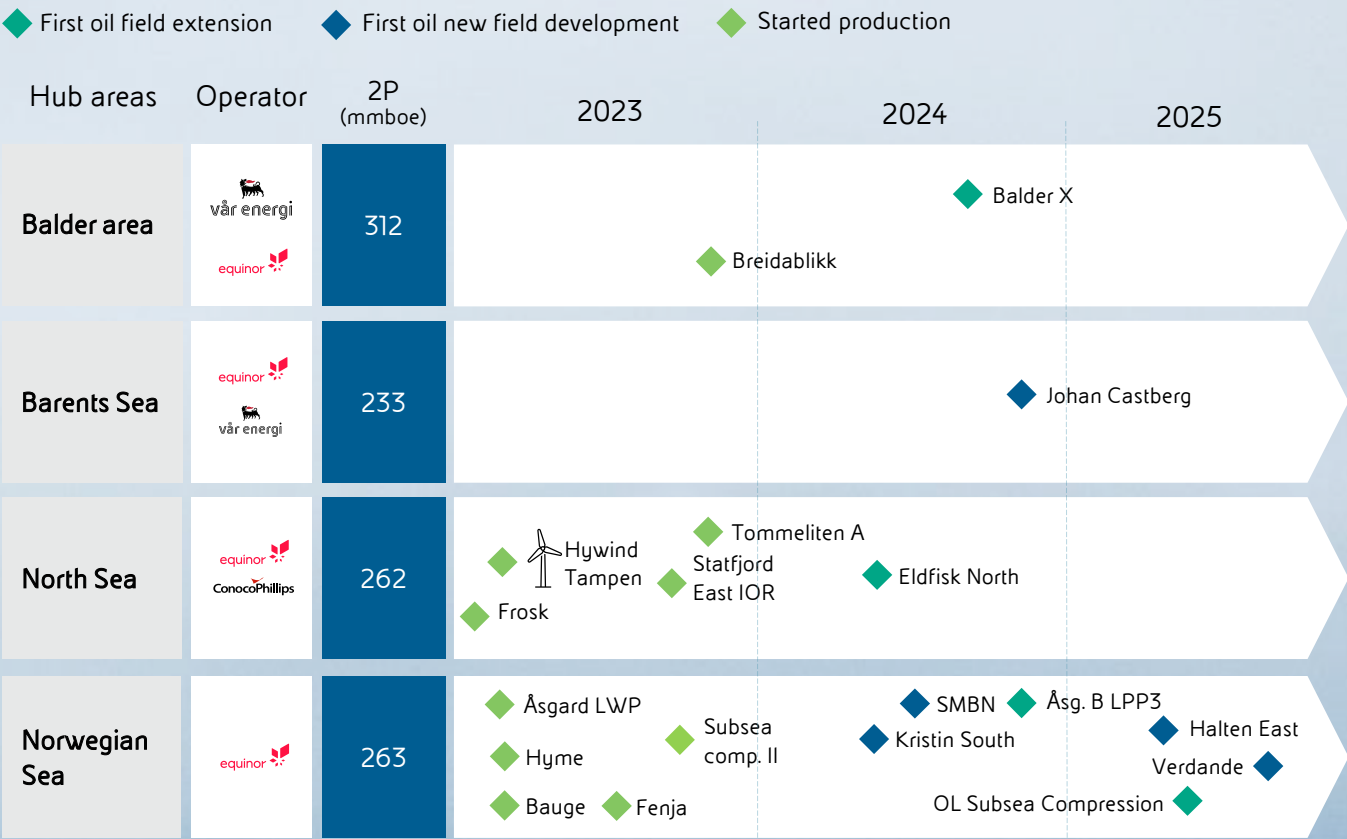
ESG rating

Position Green

1. Scope 1 and 2, baseline 2005, operational control
2. Operational control
3. 12 month rolling average

Quality project portfolio delivering on growth strategy

Existing production and sanctioned developments



>500 mmboe
reserves in development portfolio

~170 kbopcd
in added production

~30 USD/boe
average break-even in
development portfolio

>25%
project IRR¹

Extending production from the Balder area towards 2045

Strong historic growth utilising hub strategy...

>500 mmboe¹

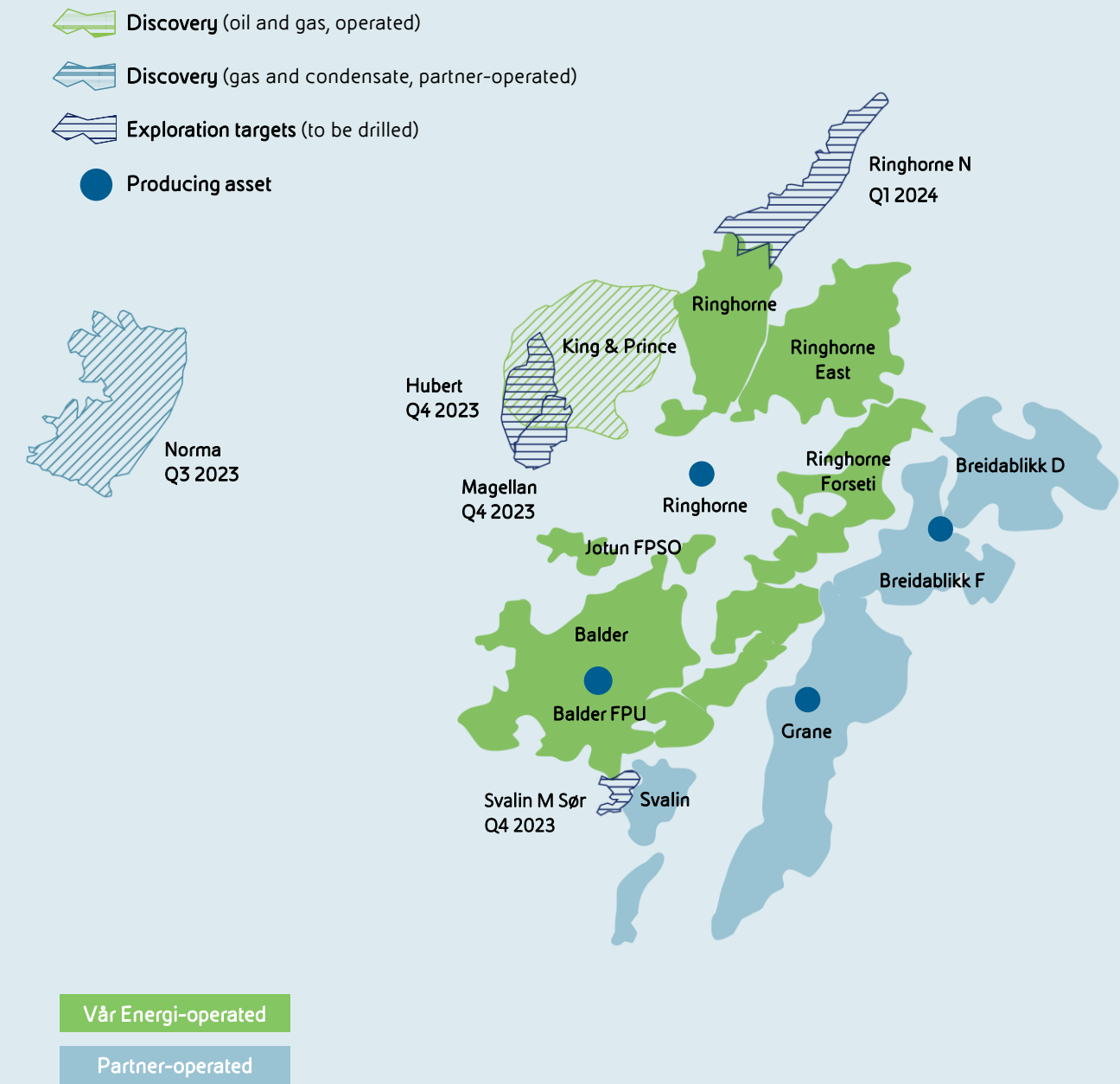
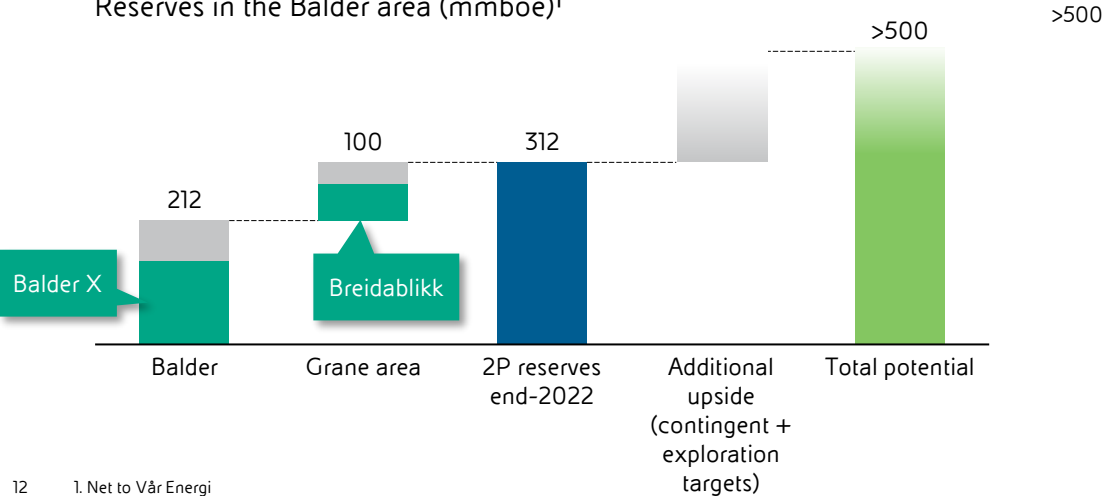
produced in Balder/Ringhorne since start-up in 1999

>4x

of PDO estimate in 1995

... and future potential

Reserves in the Balder area (mmboe)¹



Breidablikk on stream ahead of schedule and on budget

Cost-effective subsea tie-back to Grane

First oil achieved October 2023

188 mmboe

2P reserves¹, gross

~58 kboepd

at peak production¹, gross

<2 years

payback time after start up

~3 USD/bbl

production cost

Jotun FPSO the key Balder hub enabler

First oil Q3 2024

>85%
complete¹

Revised capex estimate, schedule maintained
Major heavy-lift installations completed
9 of 14 producing wells completed
3 of 5 subsea campaigns in 2023 completed

Material future value

~78 kboepd
at peak production², gross

<5 USD/bbl
production cost



Johan Castberg on schedule

Revised capex estimate, schedule maintained

Progressing towards first oil in Q4 2024

190 kboepd

vessel capacity production^{1,2}, gross

~4 USD/bbl

production cost

450-650 mmboe

2P reserves^{1,2}, gross



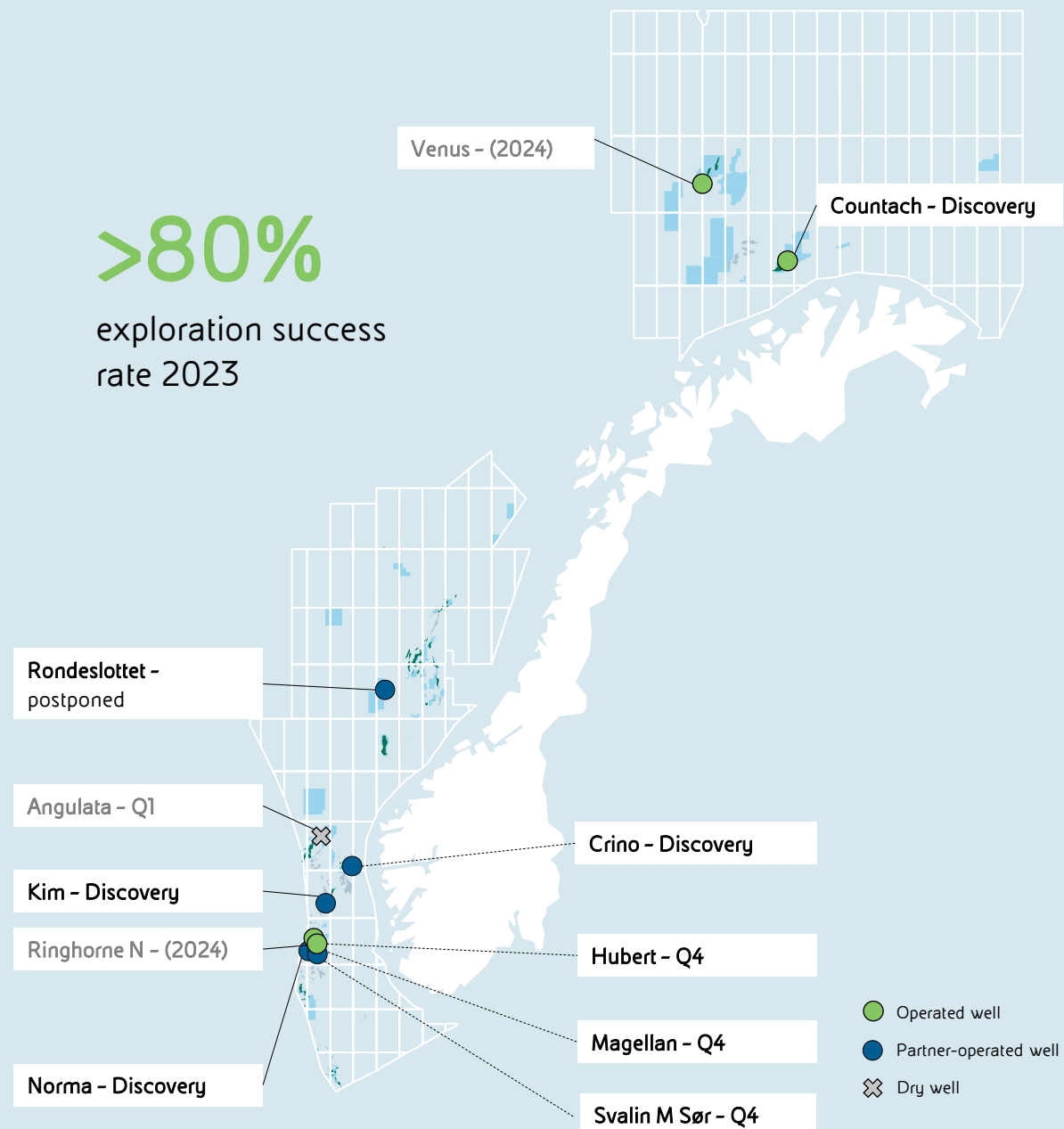
2023 exploration campaign

License	Prospect	Operator	Vår Energi share	Est. Recoverable resources mmbœ ¹	Pre-drill Unrisked resources mmbœ ¹	Status
PL 229	Countach	Vår Energi	65 %	48 ²		Discovery
PL 554	Angulata	Equinor	30 %	-		Dry
PL 1005	Rondeslottet	Aker BP	40 %		871	Postponed
PL 185	Kim	OKEA	12 %	3.1 ³		Discovery
PL 090	Crino	Equinor	25 %	9-35 ⁴		Discovery
PL 984	Norma	DNO	20 %	13-145 ⁴		Discovery
PL 917	King 2 (Hubert)	Vår Energi	40 %		24	Q4
PL 917	King 2 (Magellan)	Vår Energi	40 %		30	Q4
PL 169	Svalin M Sør	Equinor	13%		5	Q4
PL 1025S	Venus	Vår Energi	30 %		313	Q1 2024
PL 956	Ringhorne N	Vår Energi	50 %		28	Q1 2024

1. Gross
2. Post drill evaluation, to be validated
3. Vår Energi estimate
4. Operator's estimate

>80%

exploration success rate 2023



Financial highlights

85 USD/boe

weighted average realised price

USD 975 million

CFFO after tax

0.5x

NIBD / EBITDAX

USD 3.1 billion

Available liquidity¹

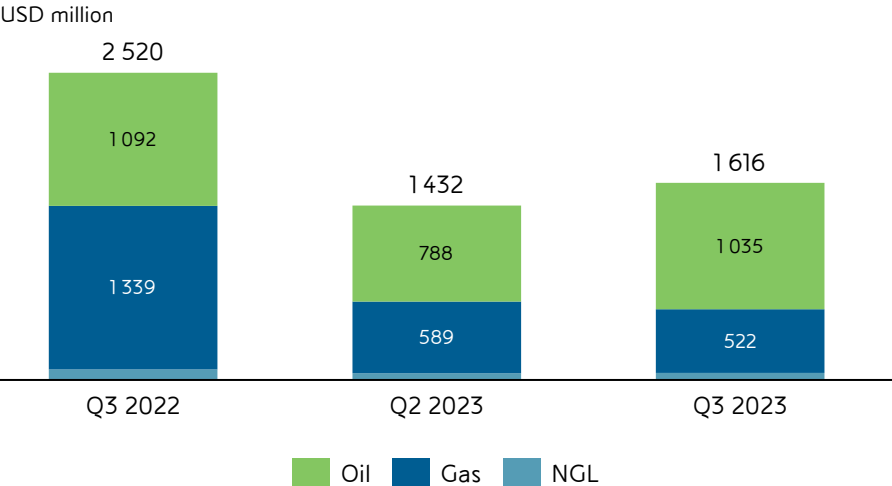
USD 270 million

Q3 dividend payment

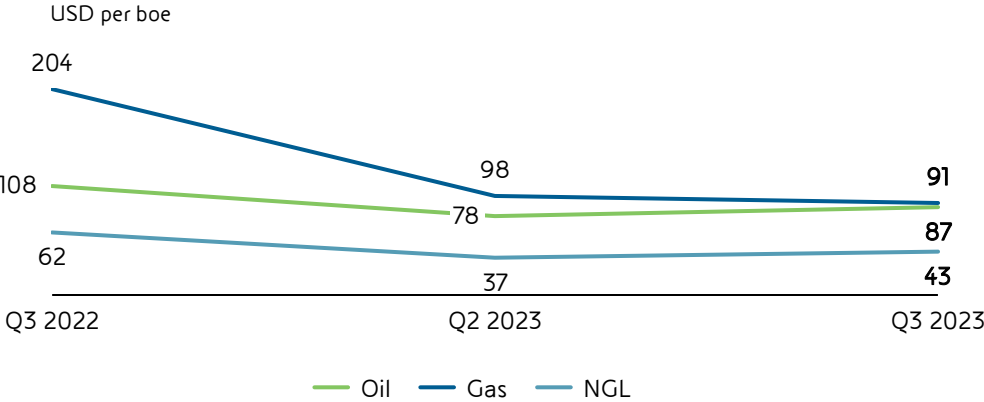


Continued high realised gas price

Total petroleum revenues



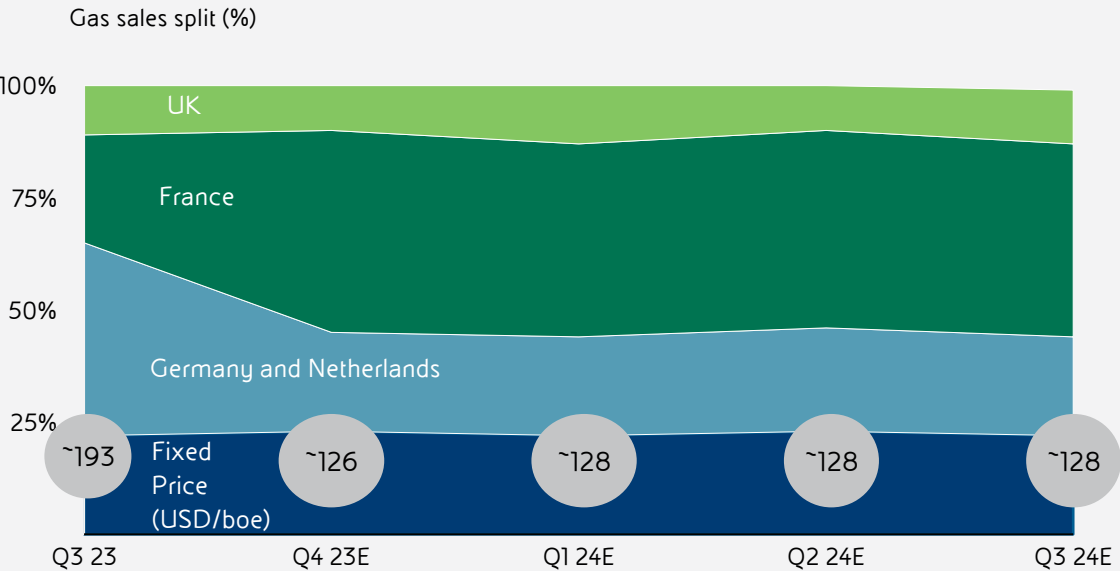
Realised prices



Realised gas price above spot price
year-to-date¹

~47 USD/boe

Indicative gas sales portfolio²

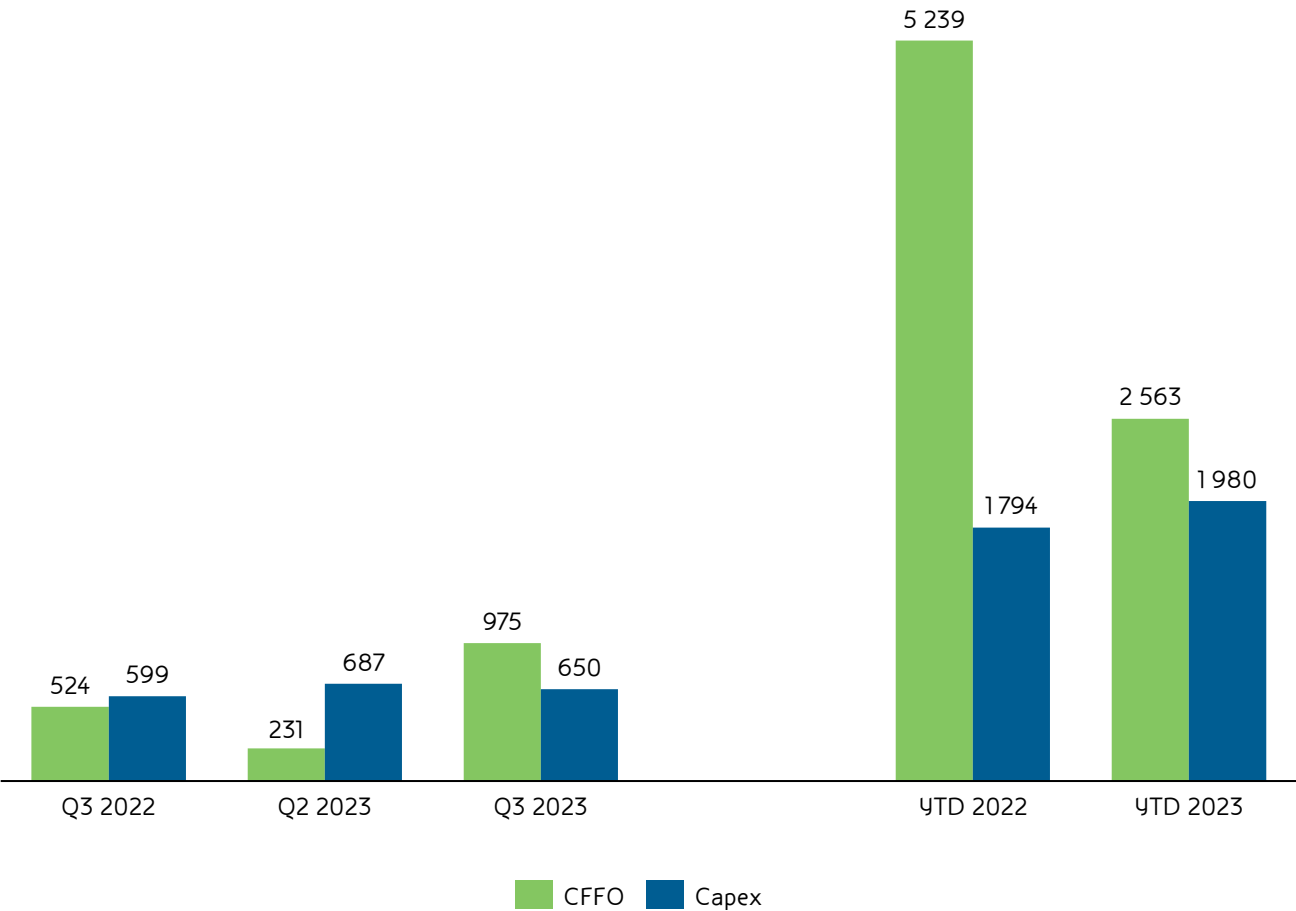


1. Based on average THE, TTF, NBP and PEG gas prices for the first nine months of 2023
2. Based on average exchange rates through Q3 2023

High cash flow generation

CFFO and capex

USD million



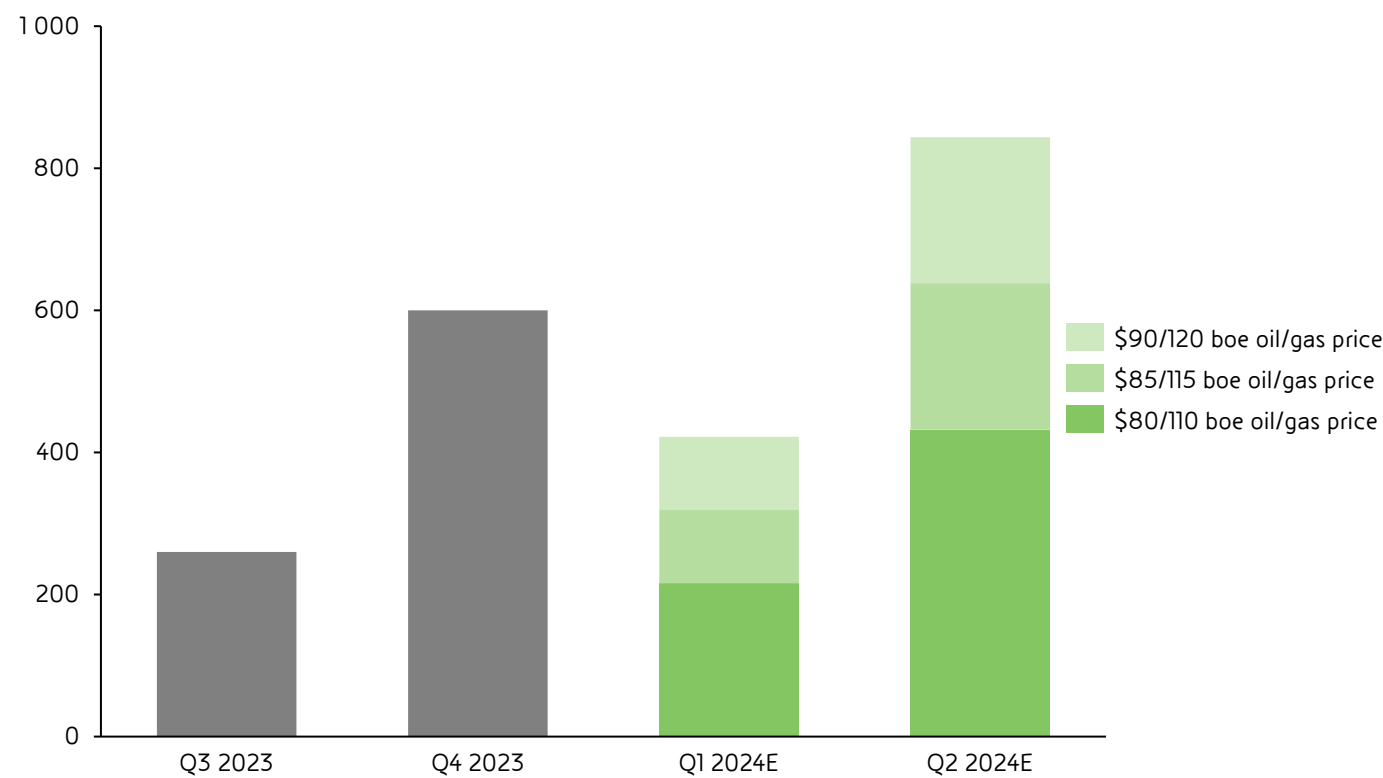
1.5x
Q3 2023 capex coverage

USD 2.4 – 2.7bn
Capex guidance for 2023

Cash taxes

Tax payments – sensitivities for 1H 2024¹

USD million



NOK ~6.1bn

Q4 2023 tax payments (USD ~600m)^{1,2}

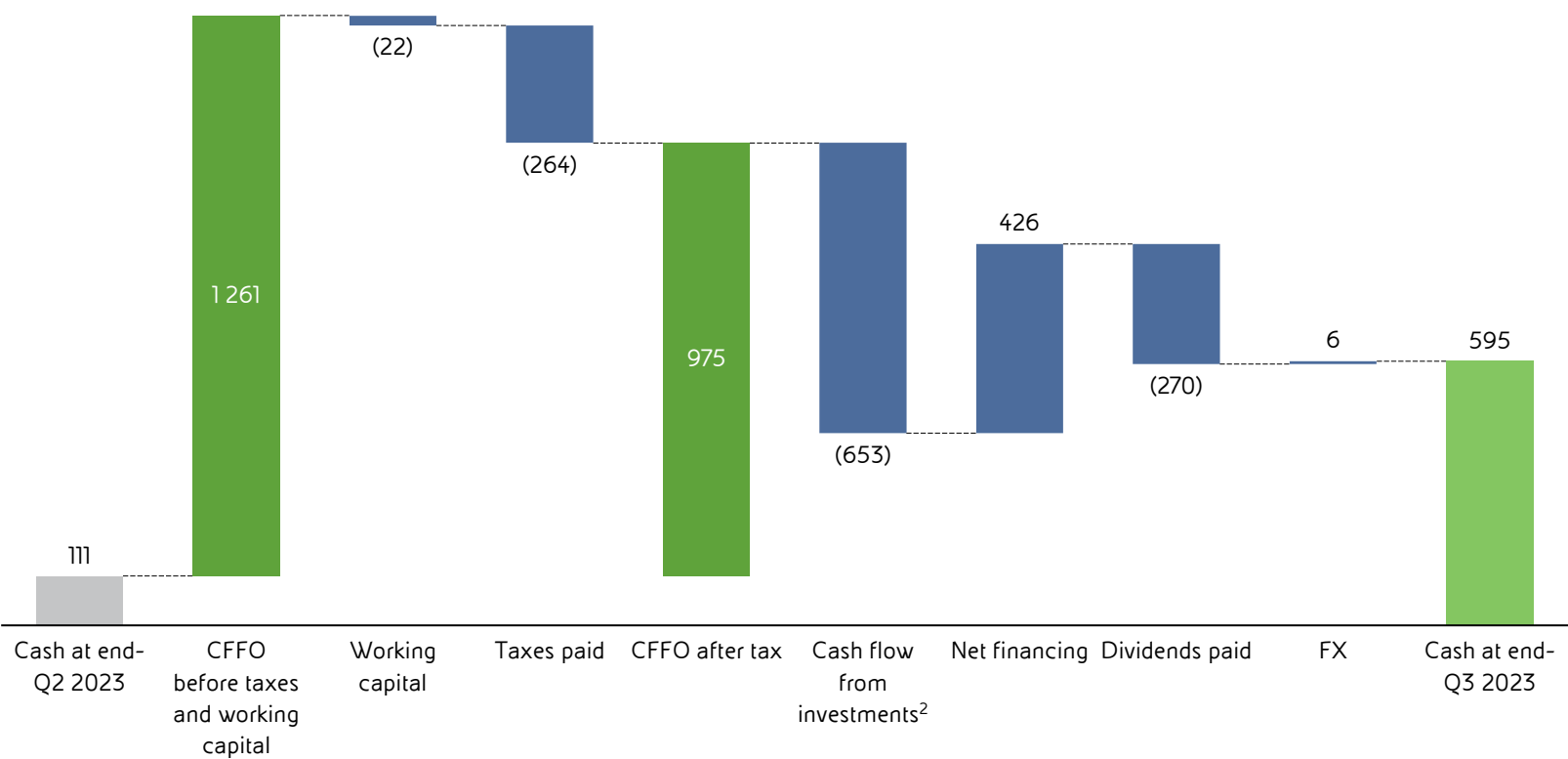
Taxes paid in 1H 2024 related to 2023 results

20 1. Based on NOK/USD of 10.5, excluding Neptune Energy Norway's expected cash tax payments
2. Increased by NOK 1 billion from previous guidance

Continued strong liquidity position

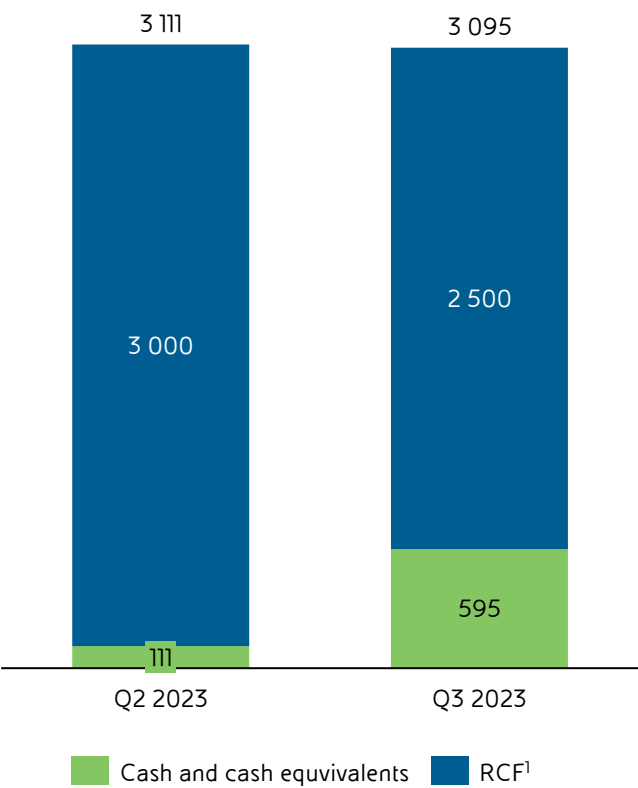
Cash flow development Q3 2023

USD million



Available liquidity

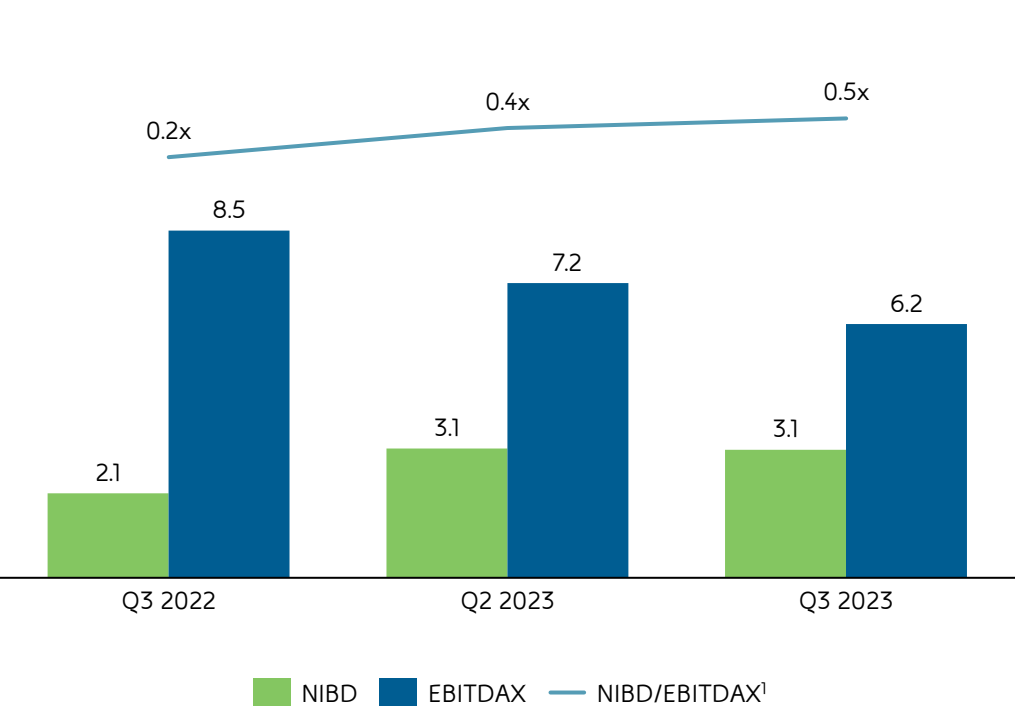
USD million



Optimising the long-term financing structure

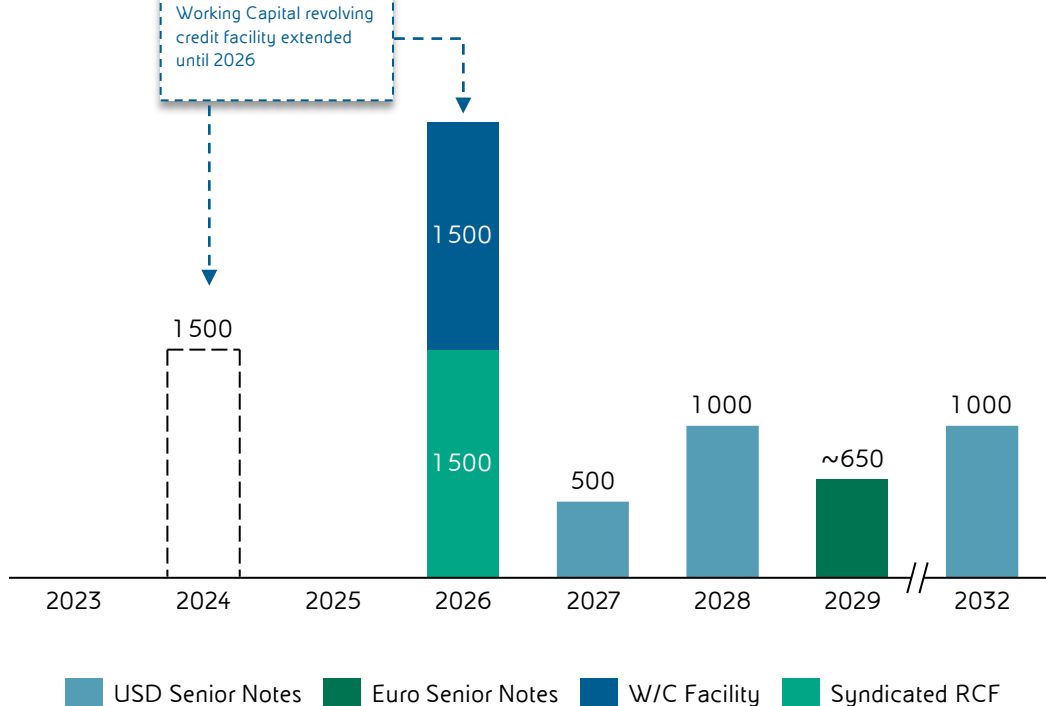
Net interest-bearing debt and leverage ratio¹

USD billion



Maturity profile

USD million



Committed to maintaining Investment Grade rating

Moody's

BBB

S&P Global

Baa3

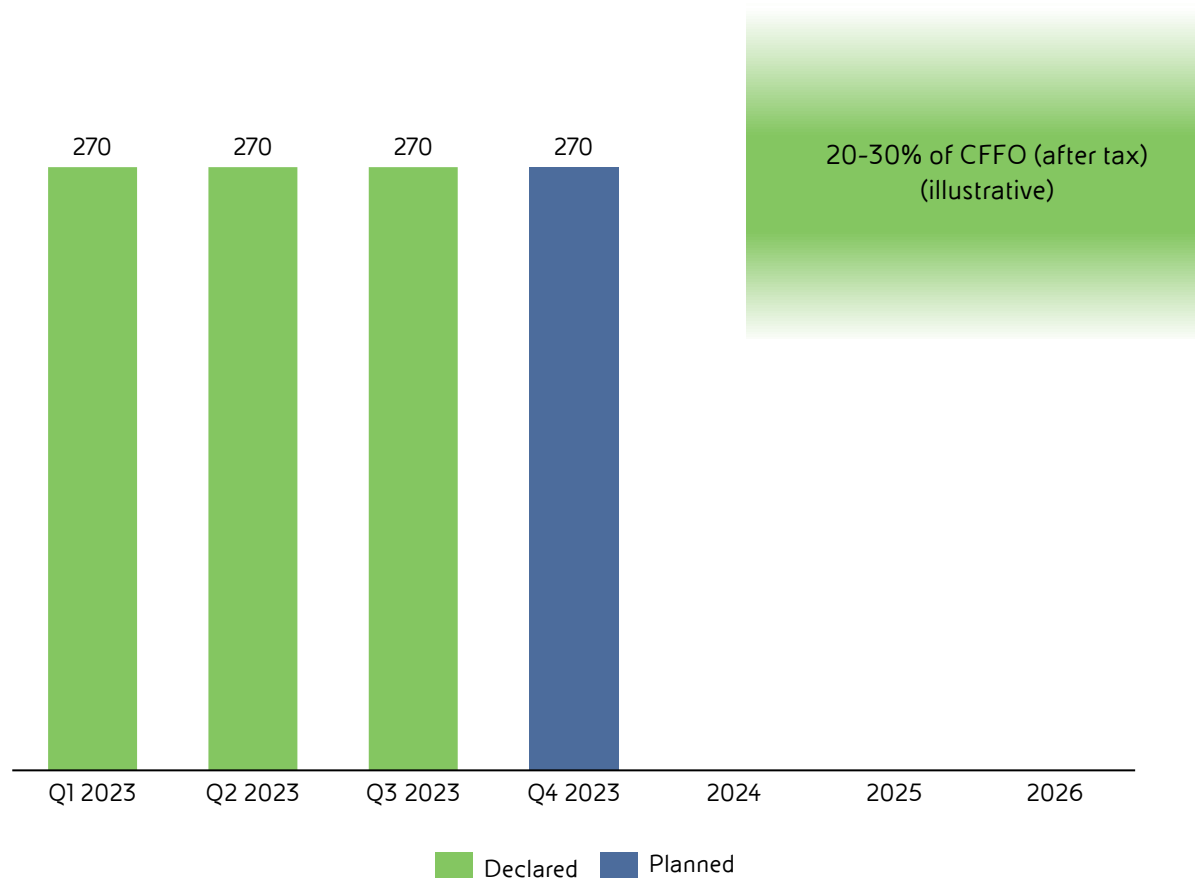


¹ Net interest-bearing debt (NIBD) is shown at end of period, including lease commitments. EBITDAX is rolling 12-months

Attractive and predictable dividends

Dividends declared

USD million



- Dividend guiding for Q4 2023 of USD 270 million (~0.11 USD per share)
- Expected total dividend for 2023 of USD 1.080 million, approximately 30% of CFFO after tax
- Dividend for Q3 2023 of USD ~0.11 per share to be paid 16 November 2023
 - Paid in NOK at exchange rate of USD/NOK 11.1338

2023 guidance

Production	210-220 kboepd
Production cost	USD 14.5-15.5 per boe
Capex	USD 2.4-2.7 billion excl. exploration and abandonment Exploration USD ~200 million Abandonment USD ~50 million
Other	Cash tax payments of USD ~600 ¹ million in Q4 2023
Dividends	Q4 dividend of USD 270 million (~0.11 USD per share) For 2023, the plan is to distribute approximately 30% of CFFO after tax



One of the fastest growing E&P companies in the world

Accelerating growth target to ~400 kboepd by end-2025

Delivering production and improved opex

Strong financial performance

Attractive and predictable shareholder distribution



Q&A



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