

First Quarter 2022

28 April 2022

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Highlights

First quarter 2022

Record strong financial performance

- High oil and gas prices
- Increased gas exports
- Cognite sold – the digital journey continues

Securing organic growth

- Hod on stream - Johan Sverdrup phase 2 on schedule
- PDOs approved for Hanz and KEG
- On track to submit PDOs by end-2022

Lundin transaction on track for closing 30 June

- Approved by both companies' shareholders



Lundin transaction on track

About the transaction

- Aker BP acquires Lundin Energy’s oil and gas activities
- Lundin Energy remains listed as renewable pure-play
- ~0.95 AKRBP shares and USD 7.76 per LUNE share

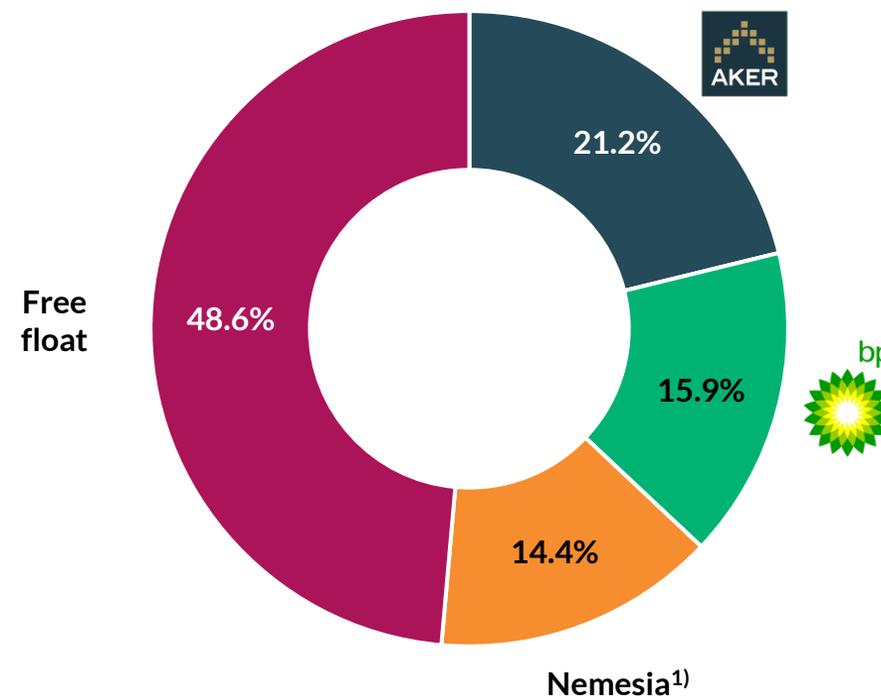
Approval process

- Shareholders approvals received at AGMs
- Approved by Ministry of Petroleum and Energy
- Awaiting approval from Ministry of Finance

Integration plan

- Transaction closing expected 30 June
- Full organizational integration from 1 October

Post-transaction ownership structure



Equity in combined entity: 57% Aker BP and 43% Lundin Energy

1) Nemesia is an investment company wholly owned by a Lundin family trust

Key performance indicators

First quarter 2022



Safety

1.8

Injuries frequency (TRIF)

Production

208.2

boe/day

Efficiency

88%

Production efficiency

Cost

\$11.6

per produced barrel

Emissions

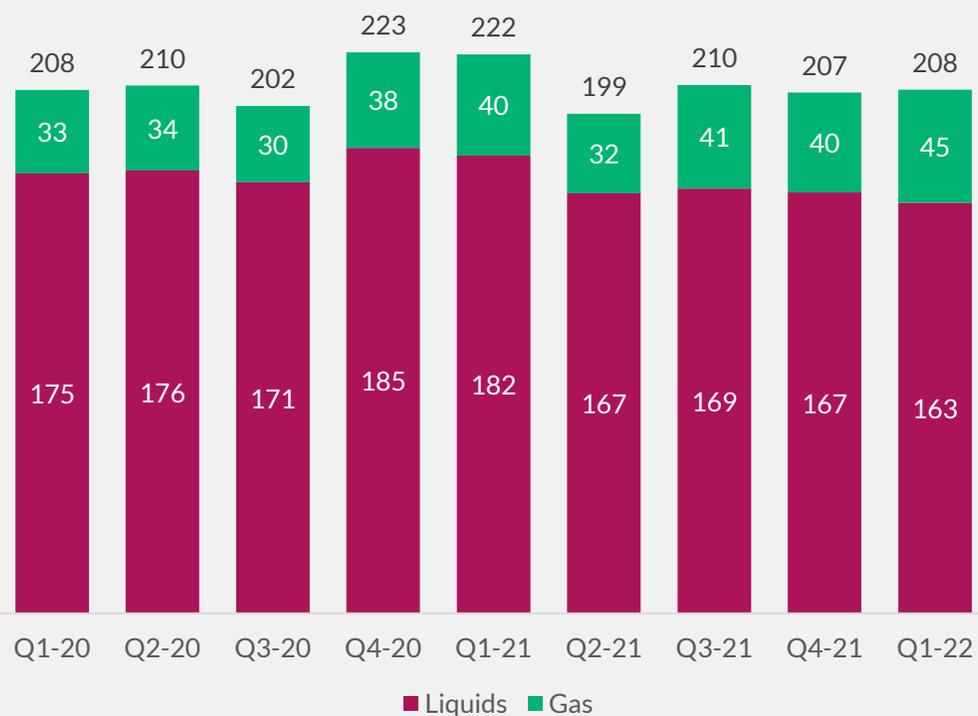
4.8

kg CO₂e/boe

Production performance

Oil and gas production

mboepd



Stable volume

- Produced 208 mboepd
- Overlift of 8.0 mboepd

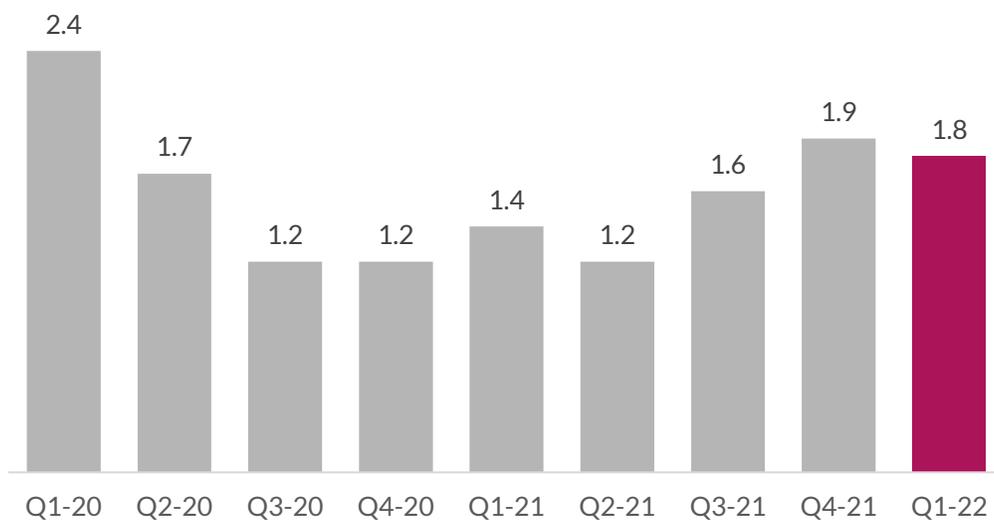
Record high gas production of 45 mboepd

- Full production from Ærfugl
- Initiated gas blowdown on Skarv

On track to deliver on 2022 guidance of 210-220 mboepd

HSSE performance

Injury frequency (TRIF) ¹⁾

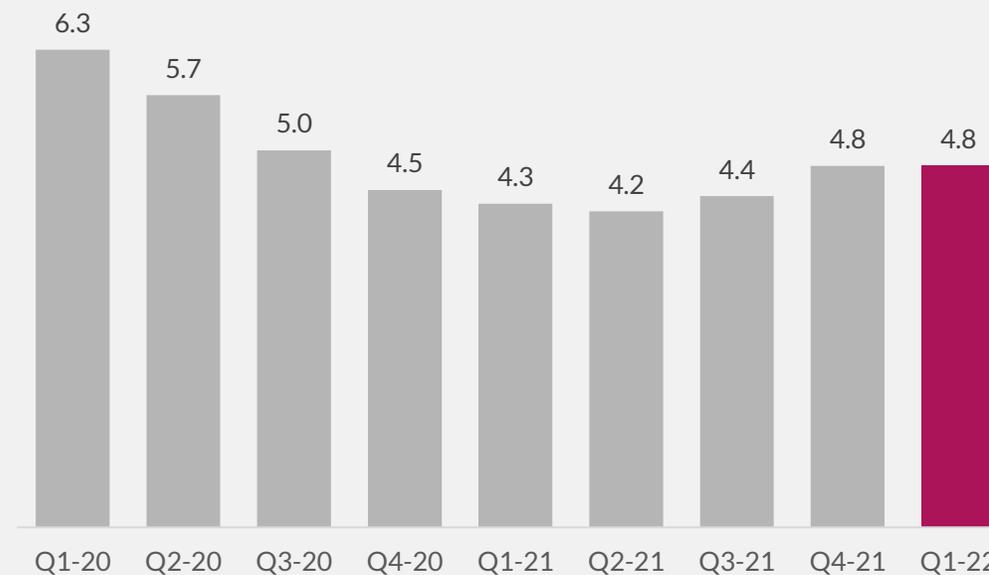


- Safety is always the top priority in Aker BP
- One recorded injury in Q1 2022
- Ambition to be the preferred employer in the industry

1) Total recordable injuries per million exp. hours, rolling 12 months average

2) Kg CO₂ emissions per barrel of oil equivalents produced, rolling 12 months average

CO₂ emissions intensity ²⁾



- CO₂ emission of 4.8 kg/boe, below target of <5 kg/boe
- Developing decarbonisation strategy to cover residual emissions
- Ambition to be industry leader on ESG

Our digital journey continues

Creating solutions with application across industries

The foundation for digital transformation

- Co-founded by Aker BP to develop state-of-the-art industrial data platform
- Now serving many companies across various industries
- Aker BP sold its shares in Cognite to Saudi Aramco in Q1-22 for USD 118 million



Applications to transform project execution & operations

- Aize co-founded by Aker BP to build applications for capital-intensive projects and operations
- First priority to develop solutions to transform project execution with NOA Fulla as pilot
- Collaborating to develop a digital workspace for operations and condition-based maintenance



Skarv

Growth, upside potential and reliable supply

Initiated Skarv Blowdown

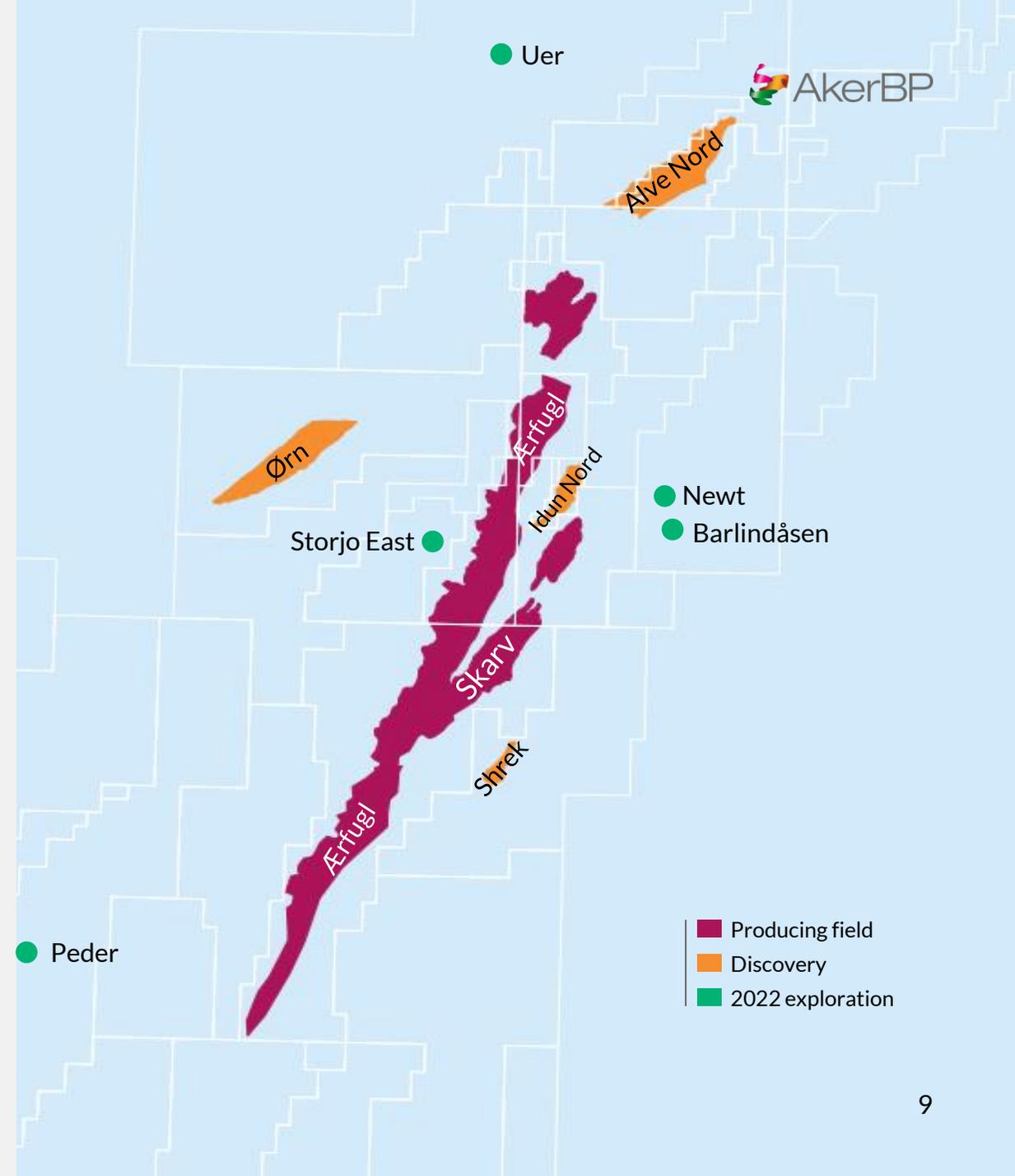
- Providing reliable gas supply to Europe
- Adds capacity to Skarv Satellites
- Highly profitable

Adding substantial reserves through Skarv Satellites

- Concept selected in Q1
- PDO submission planned in Q4
- ~70 mmboe net to Aker BP – first oil 2025

Active exploration campaign

- Five wells planned in 2022
- Net unrisked volumes of ~90 mmboe



Hod

On production after only 22 months

First oil in April – in record time

- First of six wells on stream
- Gross 40 million barrels to be produced
- Minimal emissions with power from shore

Five unified alliances contributing to development

- New standard set for the alliance model
- Integration from start to finish
- Work to bring remaining wells on stream continues

First PDO project under temporary tax regime on stream



Projects in execution

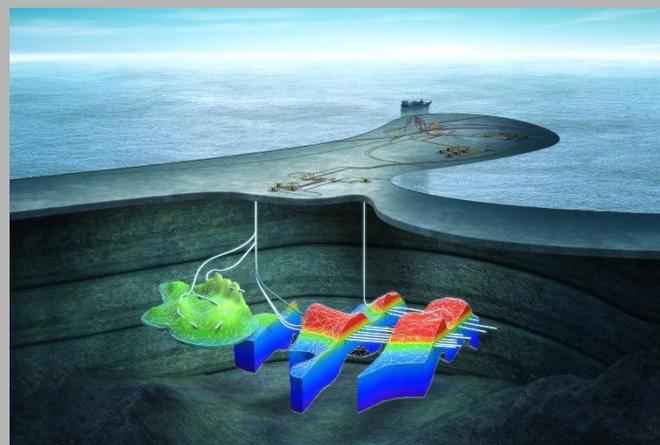
Progressing towards first oil

Johan Sverdrup phase 2



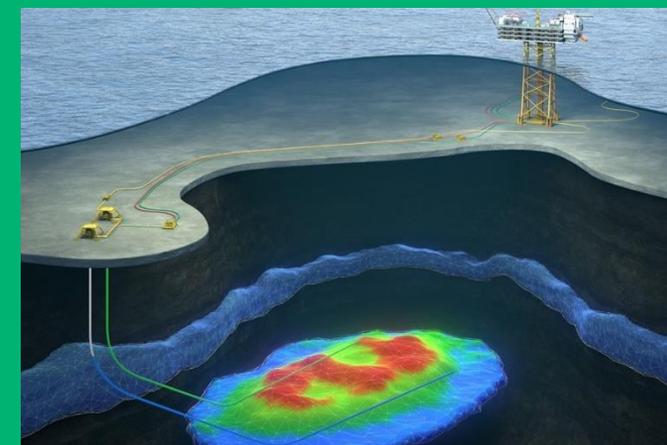
- P2 platform installed
- First oil Q4 2022
- Increasing processing capacity by 220.000 bbl/day (gross)

Kobra East & Gekko



- PDO approved in Q1 2022
- First oil Q1 2024
- Extending Alvhheim asset life to 2040

Hanz



- PDO approved Q1 2022
- First oil Q1 2024
- Innovative concept to reduce B/E and environmental footprint

Early-phase projects

Maturing portfolio towards PDOs in 2022

NOAKA

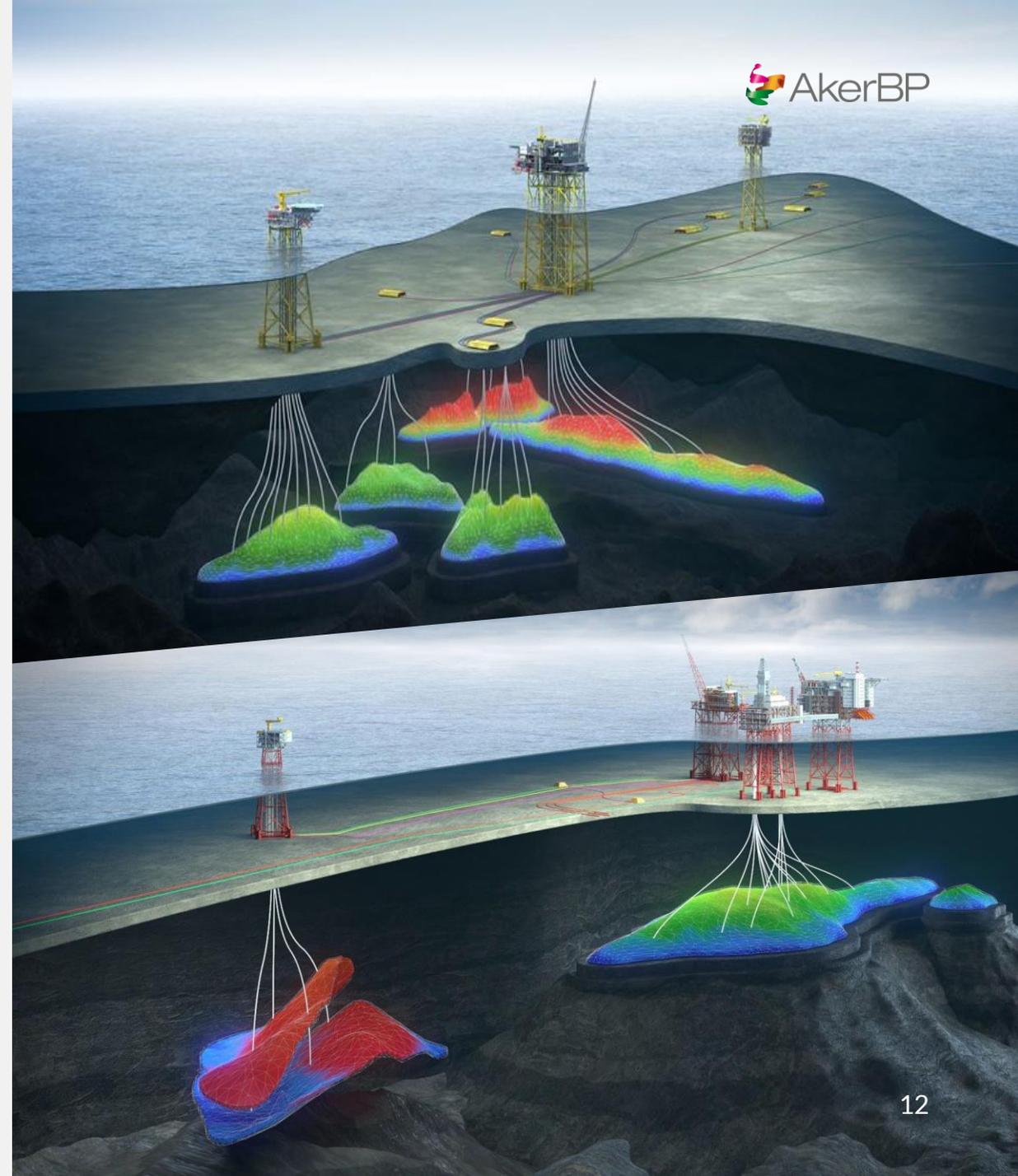
- ~600 mmboe gross
- Flexible design to cater for upside potential
- Power from shore

Valhall NCP & King Lear

- >200 mmboe gross
- Turning Valhall into a potential future gas hub
- Power from shore

Other satellite developments

- Skarv Satellites
- Trell & Trine
- Lille Prinsen



NOAKA

Targeting PDO by end-2022

~600 mboe
resources (gross)

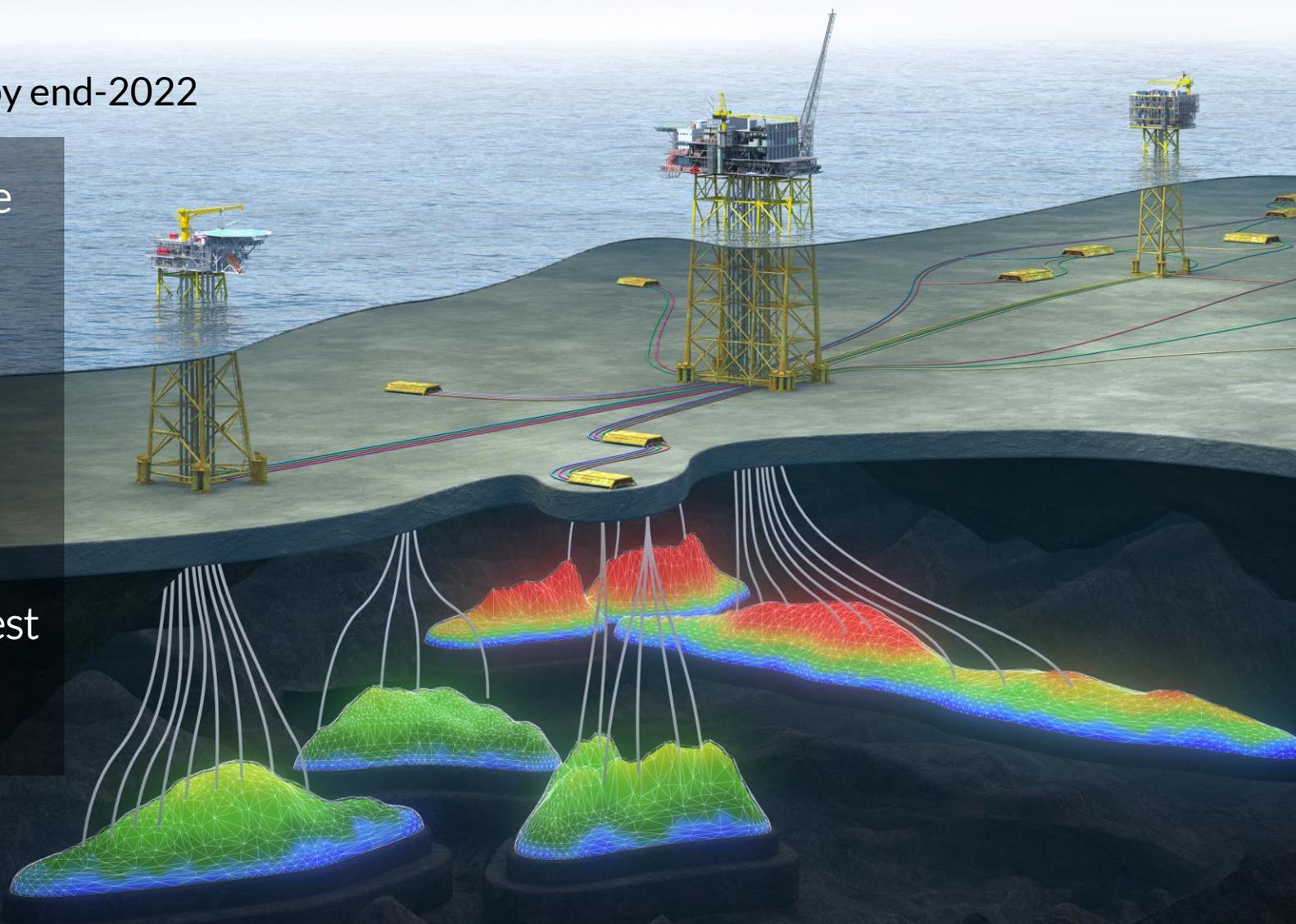
USD ~10 bn
capex (gross, real)

~\$30/bbl
break-even

2027
first oil

Aker BP interest

NOA: 87.7%
Fulla: 47.7%
Krafla: 50%



Valhall NCP & King Lear

Targeting PDO by end-2022

>200 mmboe
resources (gross)

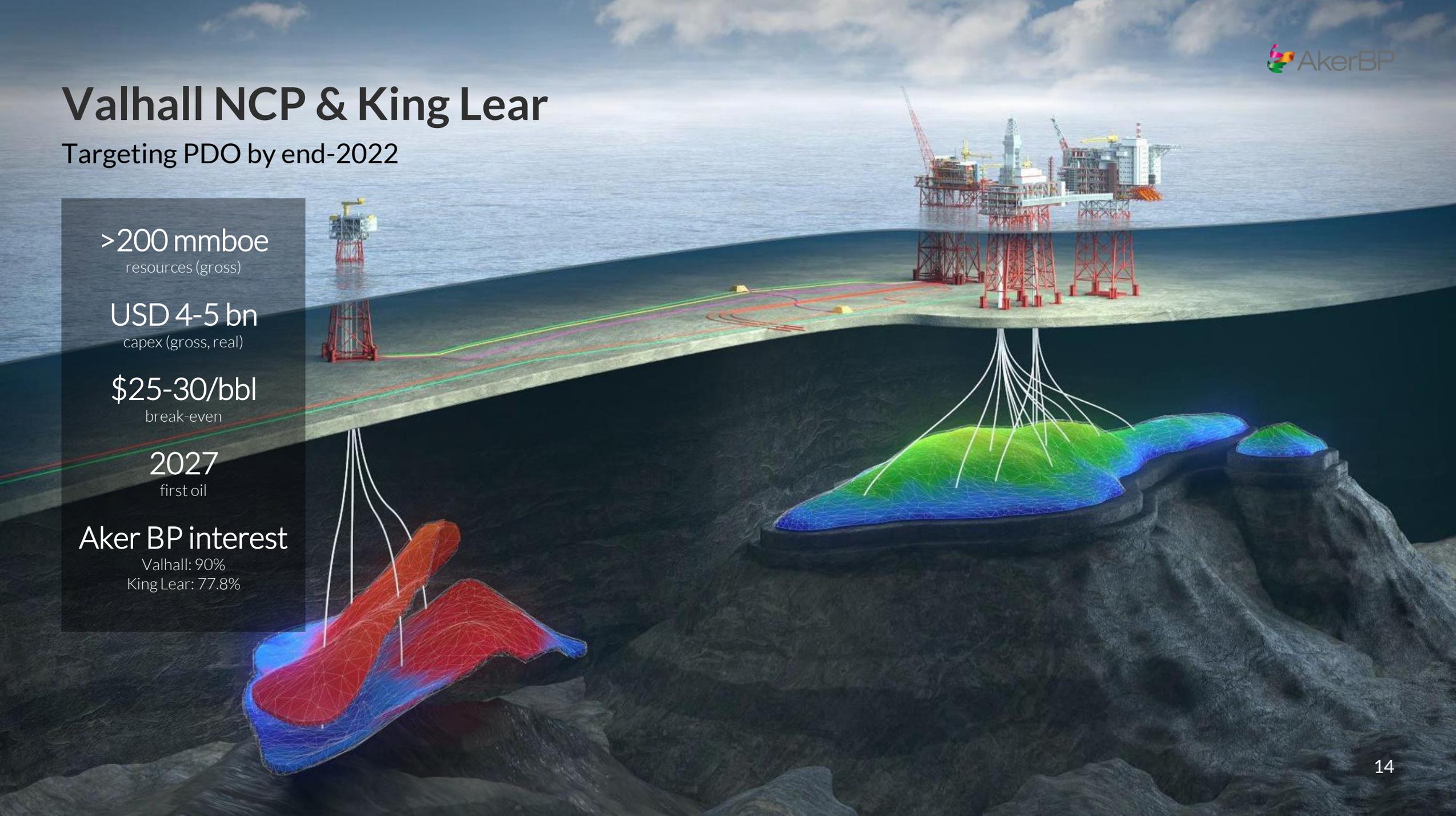
USD 4-5 bn
capex (gross, real)

\$25-30/bbl
break-even

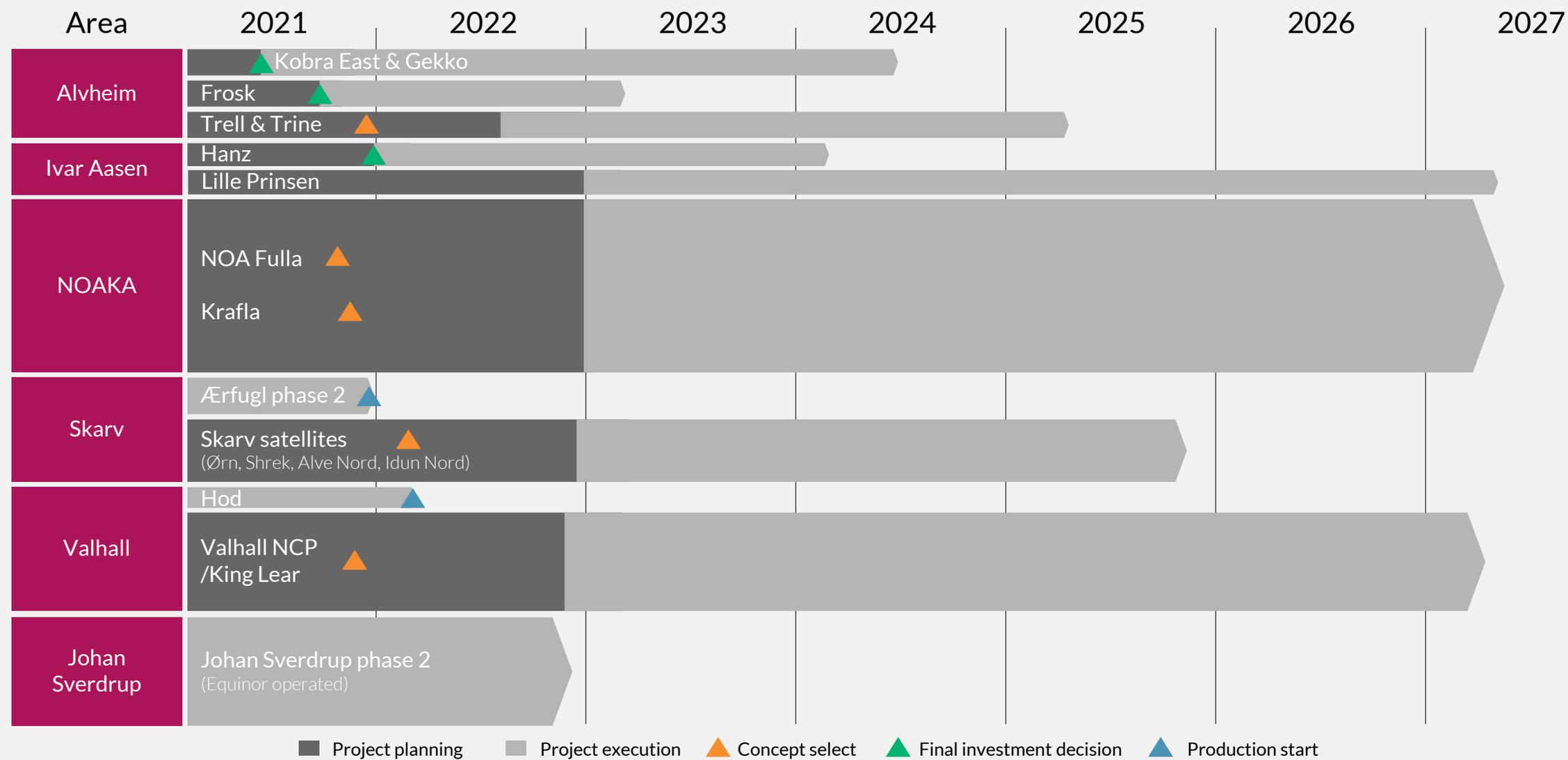
2027
first oil

Aker BP interest

Valhall: 90%
King Lear: 77.8%



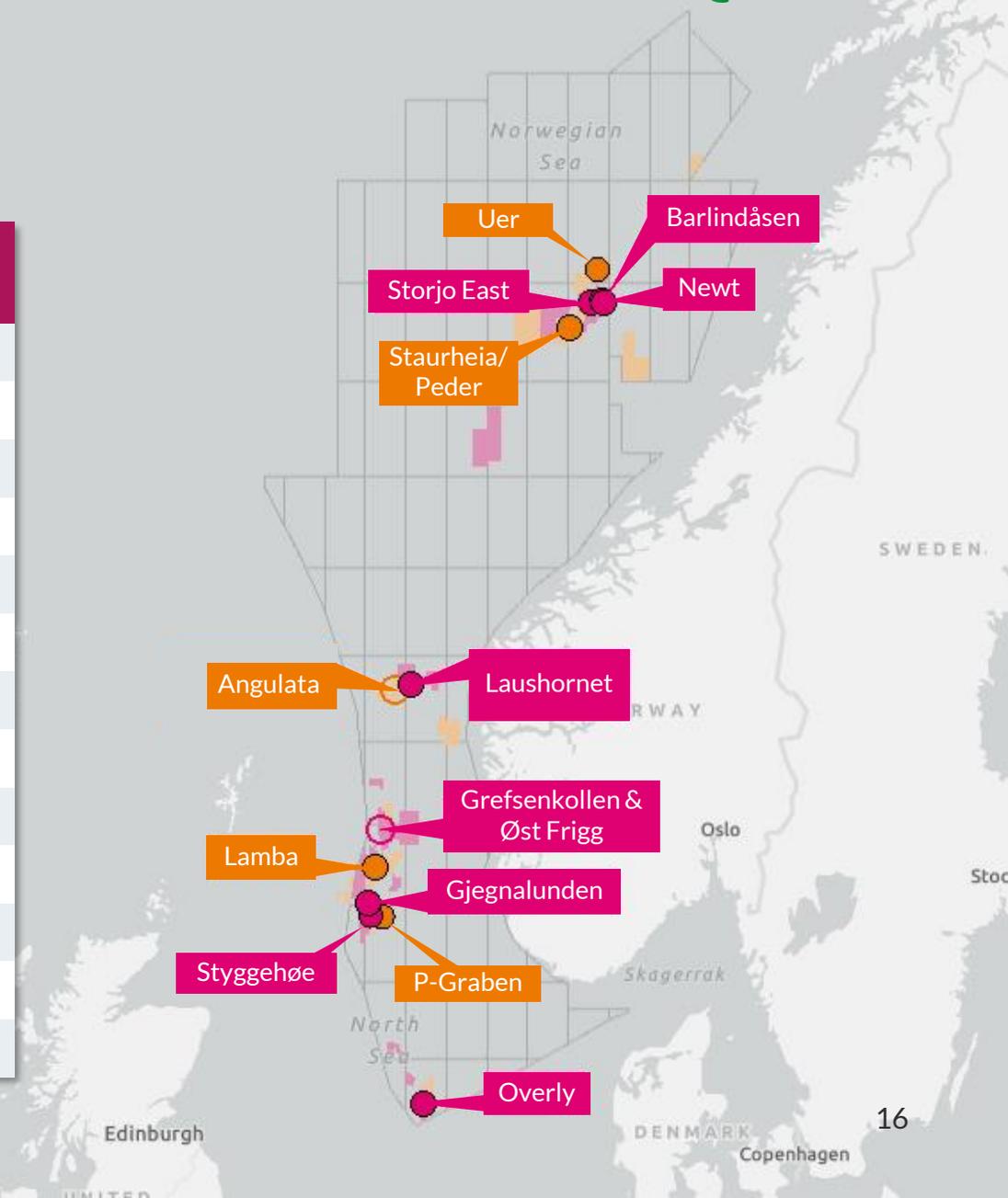
On track to sanction 700 mmboe by end-2022



Timing is indicative

2022 exploration program

Licences	Prospect	Operator	Aker BP share	Pre-drill mmboe	Status
PL873	Grefsenkollen & Øst Frigg	Aker BP	40%		1-7 mmboe
PL685	Laushornet	Aker BP	40%	17 - 147	Drilling
PL1085	Overly	Aker BP	55%	38 - 92	Q2
PL261	Storjo East	Aker BP	70%	16 - 45	Q2
PL941	Newt	Aker BP	80%	13 - 33	Q3
PL941	Barlindåsen CW	Aker BP	80%	18 - 86	Q3
PL867	Gjegnalunden	Aker BP	80%	3 - 124	Q4
PL1141	Styggehøe	Aker BP	70%	10 - 41	Q4
PL554	Angulata	Equinor	30%	8 - 64	
PL782S	Busta (Lamba)	CoP	20%	8 - 114	
PL1064	Staurheia/Peder	CoP	20%	23 - 76	
PL265	P-Graben (Sverdrup)	Equinor	20%	5 - 19	
PL943	Uer	Equinor	10%	7 - 93	



Financial review

David Tønne, CFO

Financial highlights

First quarter 2022

Production

Liquids: **163.2** mboepd
Gas: **45.0** mboepd

Cash flow metrics

CFFO: USD **1.4** billion
FCF: USD **1.1** billion

Realised commodity prices

Liquids: **100.9** USD/boe
Gas: **171.0** USD/boe

Key credit metrics

Net debt: USD **0.9** billion²⁾
Leverage ratio: **0.12x**³⁾

Costs and investments

Opex: **11.6** USD/boe¹⁾
Capex: USD **335** million

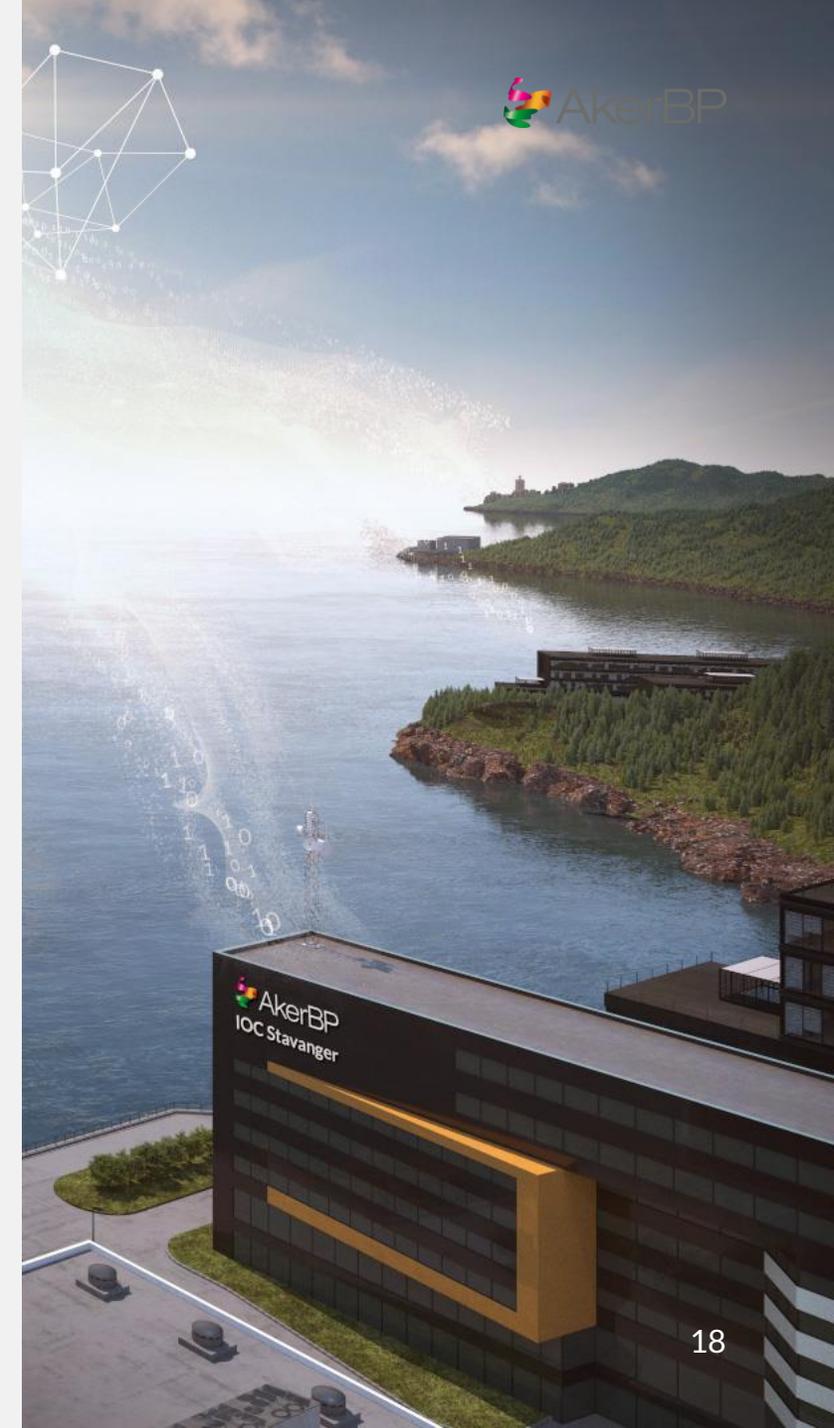
Shareholder distribution

Q1: USD **0.475** per share
2022: USD **1.9** per share

1) Production cost based on produced volumes

2) Including lease debt of USD 0.1 billion

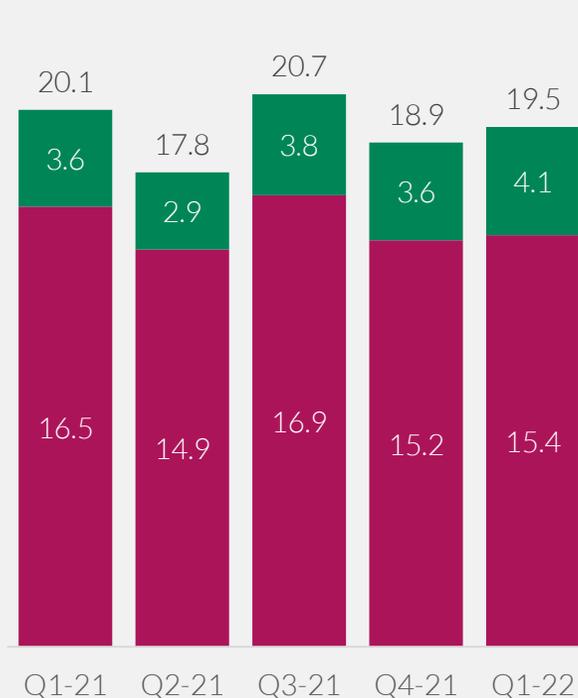
3) Net interest-bearing debt divided by 12M rolling EBITDAX, excluding IFRS 16 Leasing



Oil and gas sales

Volumes sold

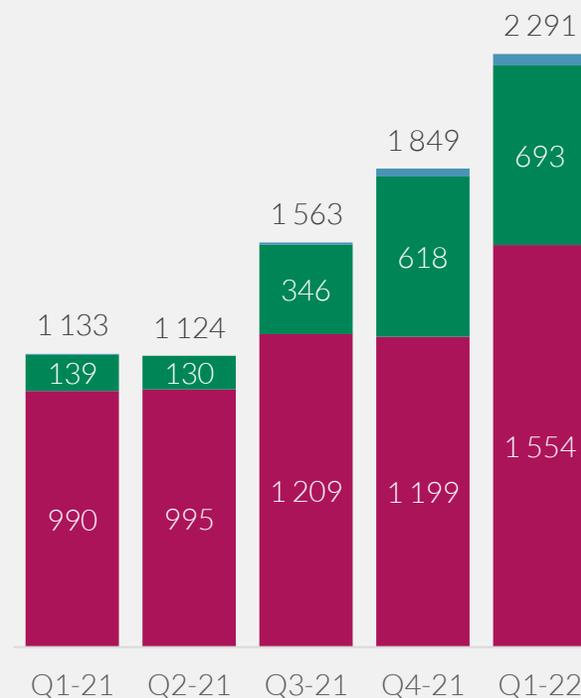
mmboe



■ Liquids ■ Natural gas

Total income

USD million



■ Liquids ■ Natural gas ■ Other

Realised prices

USD/boe

Q1-2022

Liquids

\$100.9

Natural gas

\$171.0

Q4-2021

Liquids

\$78.8

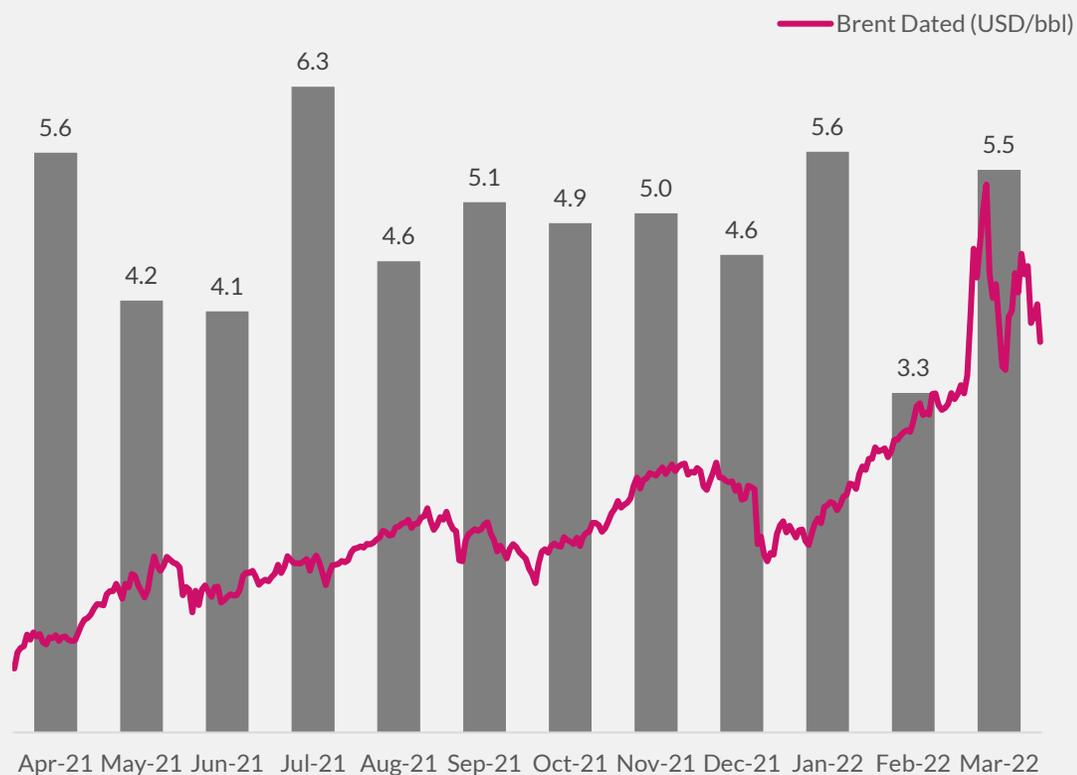
Natural gas

\$169.5

Oil lifted and realised prices

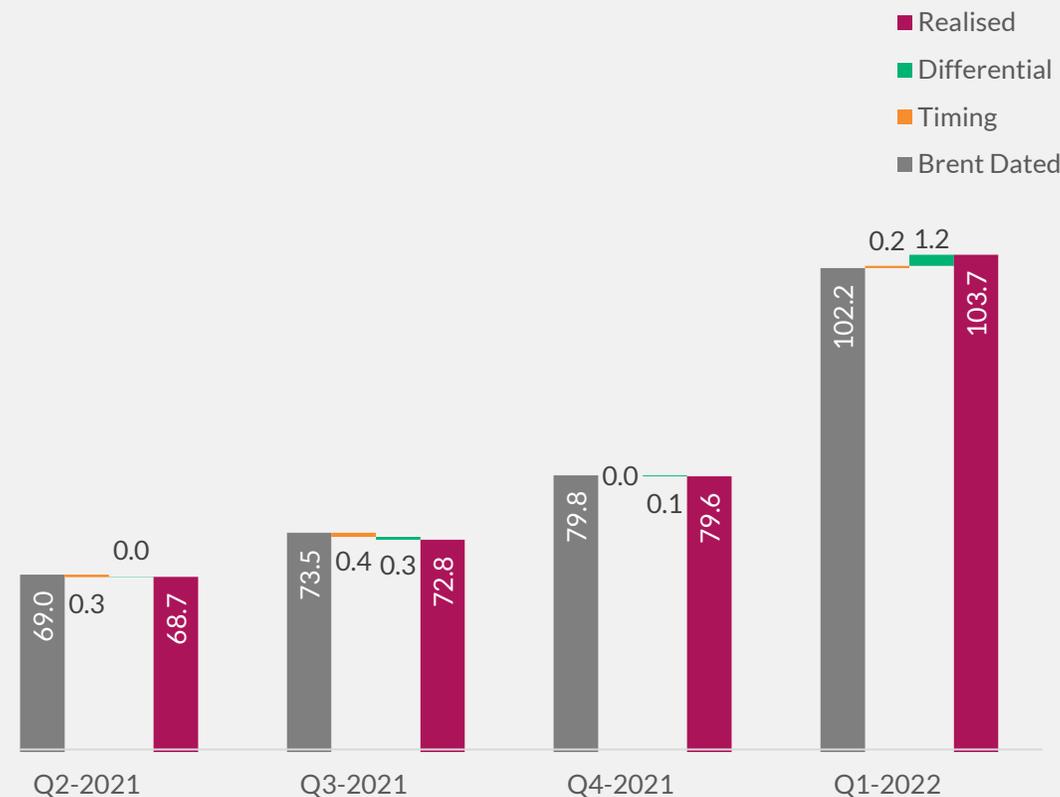
Crude oil liftings

mmbbl



Time effect and realised differentials

USD/bbl



Continued strong contribution from natural gas

22% of total production in Q1 2022

- Skarv 55%
- Alvheim area 20%
- Valhall 14%

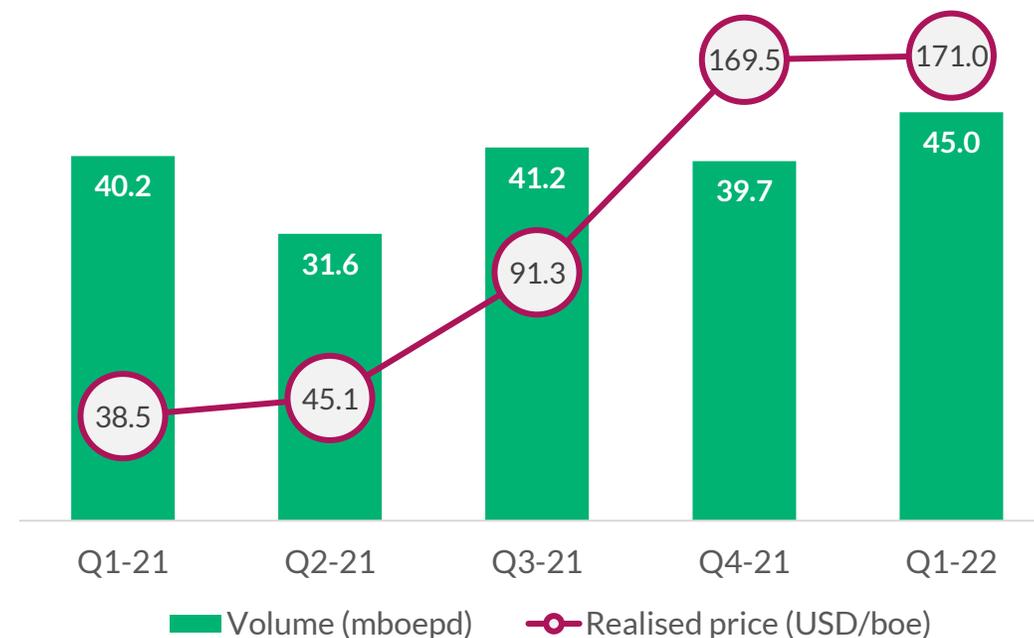
Continued strong price realisation

- ~90% of gas sold linked to spot (TTF/NBP)
- Other income of USD 40 million related to gas futures placed in Q1 2022 to hedge price exposure

Gas volumes set to increase in the future

- Skarv Blowdown initiated 2022
- Skarv satellites from 2025
- NOAKA and King Lear from 2027

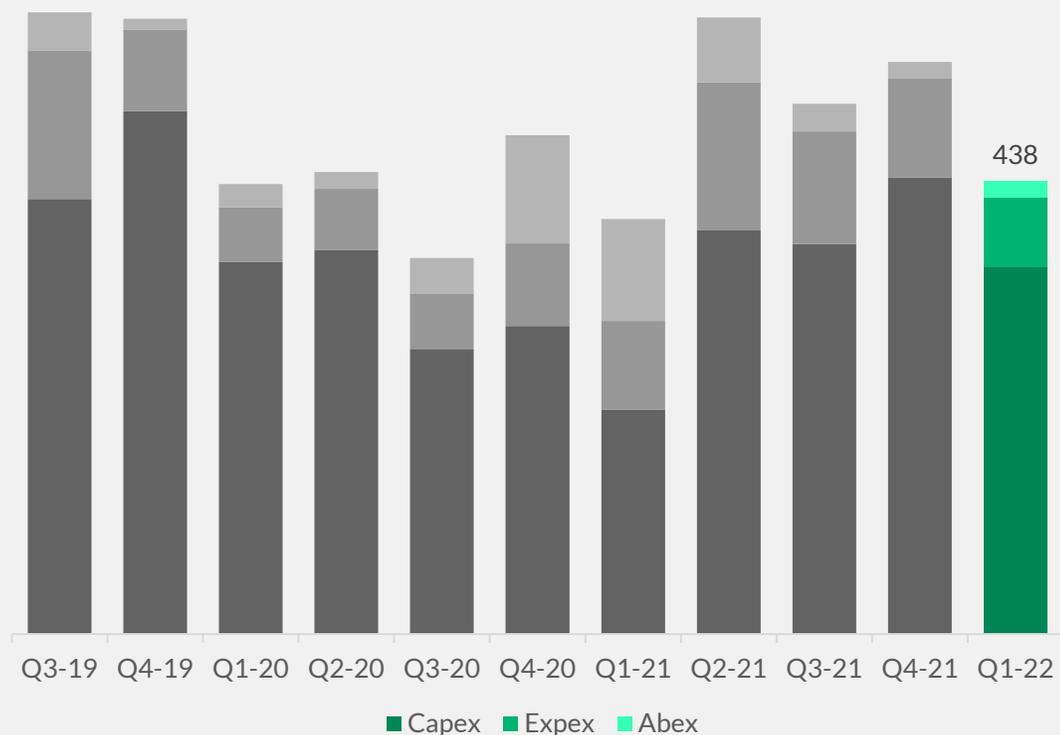
Gas volumes and realised prices



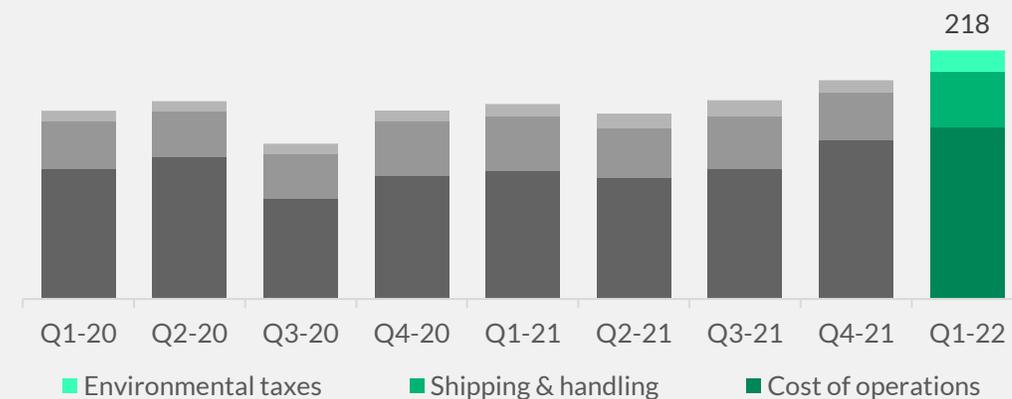
Share of petroleum revenues				
12%	12%	22%	34%	31%

Capital discipline

Capital spend (USD million)



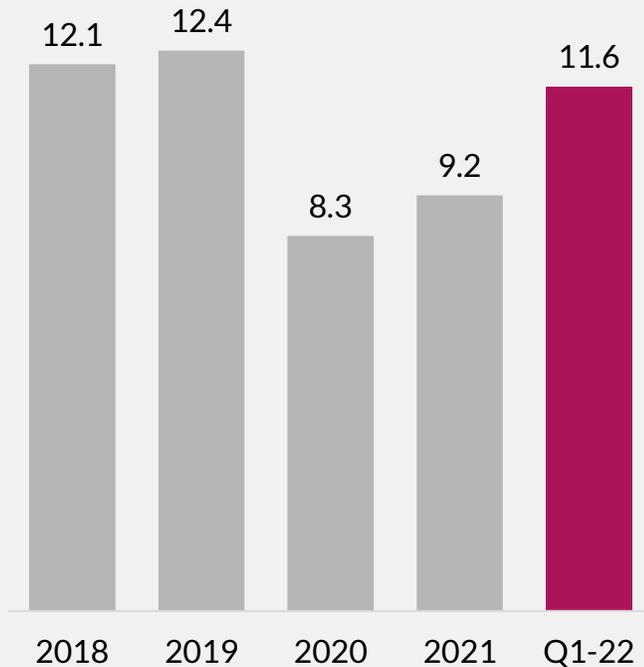
Production cost¹⁾ (USD million)



1) Production cost of produced barrels

Production costs impacted by power prices and well maintenance activity

Production cost
USD/boe



Production cost breakdown
USD/boe



- Continued high well maintenance activity on Valhall
- High power prices correlated with European gas prices
- Increasing environmental taxes
- Shipping and handling driven up by gas export tariffs and overlift

Income statement

First quarter 2022

USD million	Q1 2022	Q4 2021	Change	Comment
Total income	2 291	1 849	+24%	1
Production costs	220	202		
Other operating expenses	7	6		
EBITDAX	2 064	1 641	+26%	
Exploration expenses	58	83	-30%	2
EBITDA	2 007	1 559	+29%	
Depreciation	231	219		
Impairments	-	79		
Operating profit (EBIT)	1 775	1 260	+41%	
Net financial items	61	(43)		3
Profit/loss before taxes	1 837	1 218	+51%	
Tax (+) / Tax income (-)	1 300	854		
Net profit / loss	537	364	+47%	
EPS (USD)	1.49	1.01		

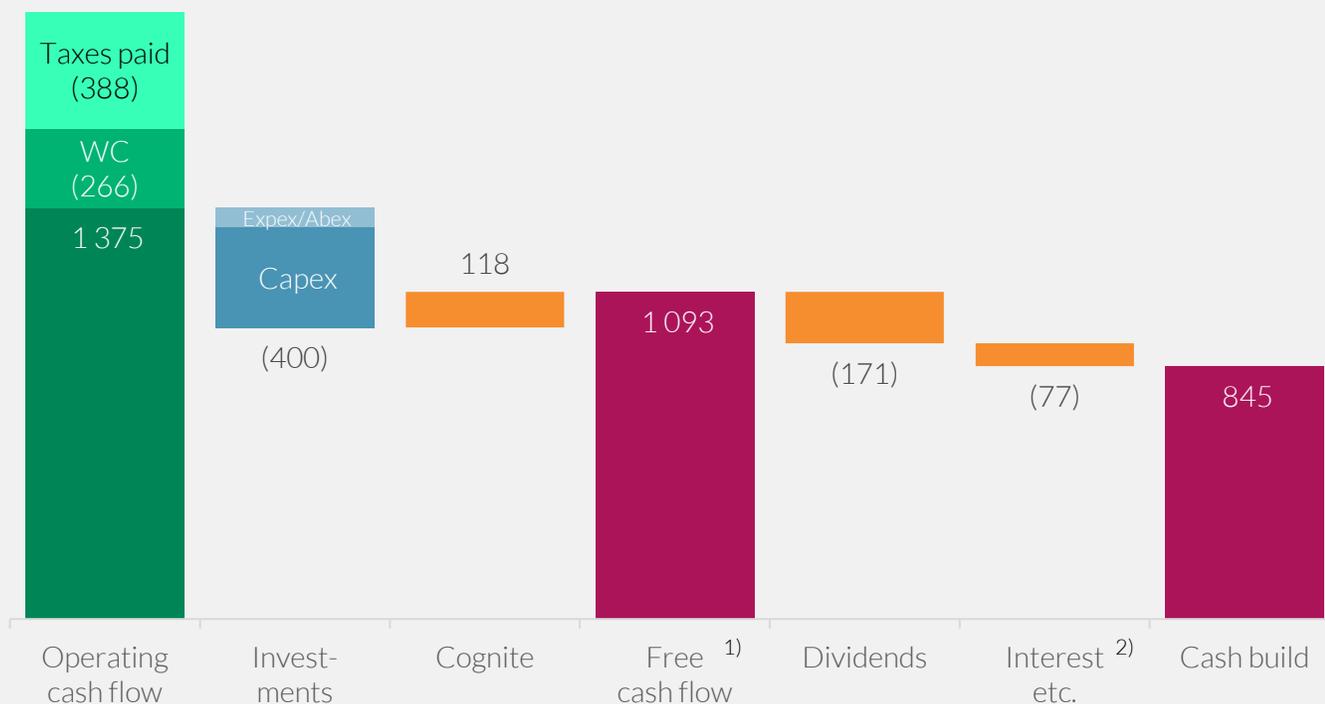
Comments

1. Increased due to higher prices. Other income of USD 41m mainly driven by gains on gas futures
2. Reduced field evaluation expenses as Krafla and Valhall NCP & King Lear passed DG2 during Q4 2021
3. Driven by sale of shares in Cognite AS

Cash flow

First quarter 2022

USD million



1) Net cash flow from operating activities and investment activities including payments on lease debt
 2) Includes interest paid, fees related to RCF, payments of lease debt, and FX effect on cash held

Q1-2022

FCF per share

\$3.0

Dividend per share

\$0.48

Q4-2021

FCF per share

\$2.0

Dividend per share

\$0.42

Statement of financial position

USD million

Assets	31.03.22	31.12.21	31.03.21
Goodwill	1 647	1 647	1 647
Other intangible assets	1 589	1 664	1 879
Property, plant and equipment	8 257	7 976	7 392
Right-of-use asset	104	94	127
Receivables and other assets	1 413	1 117	804
Cash and cash equivalents	2 817	1 971	392
Total Assets	15 826	14 470	12 241

Equity and liabilities	31.03.22	31.12.21	31.03.21
Equity	2 708	2 342	1 989
Other provisions for liabilities incl. P&A (long)	2 834	2 659	2 665
Deferred tax	3 478	3 323	2 782
Bonds and bank debt	3 558	3 577	3 474
Lease debt	136	136	200
Other current liabilities incl. P&A	856	936	678
Tax payable	2 257	1 497	452
Total Equity and liabilities	15 826	14 470	12 241

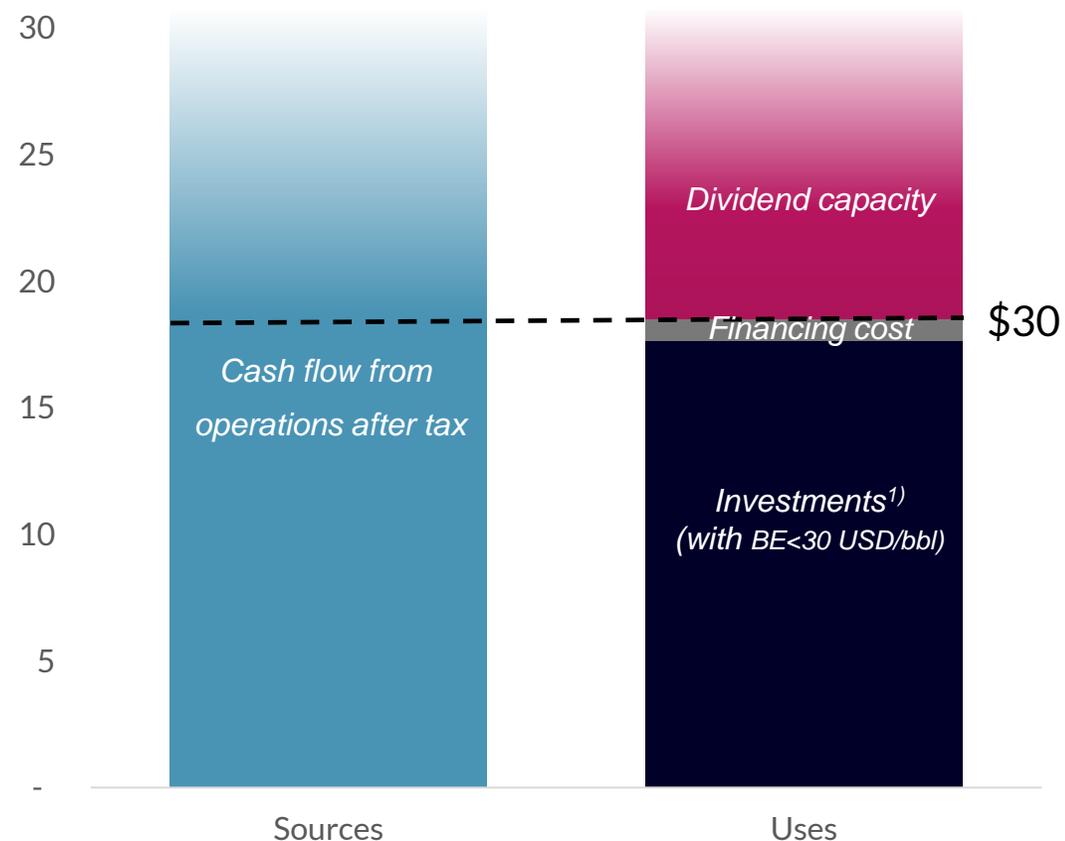
Capital allocation priorities

Growing capital distribution in line with value creation

- 1** Maintain sufficient **financial capacity**
- 2** Invest in **profitable growth**
- 3** Return **value creation** to shareholders

Aker BP investment plan 2022-2028

USD billion, accumulated



1) BE: Break-even oil price using 10% discount rate

Superior financial flexibility

Net interest-bearing debt

Excl. leases, USD billion



Liquidity available²⁾

USD billion



Comments

- S&P upgrade to BBB on 8 April
- No debt maturities before 2025
- Capacity to fund Q2 dividends, taxes and Lundin USD 2.2bn cash consideration with cash

S&P Global
Ratings

BBB (stable)

FitchRatings

BBB- (positive outlook)

MOODY'S

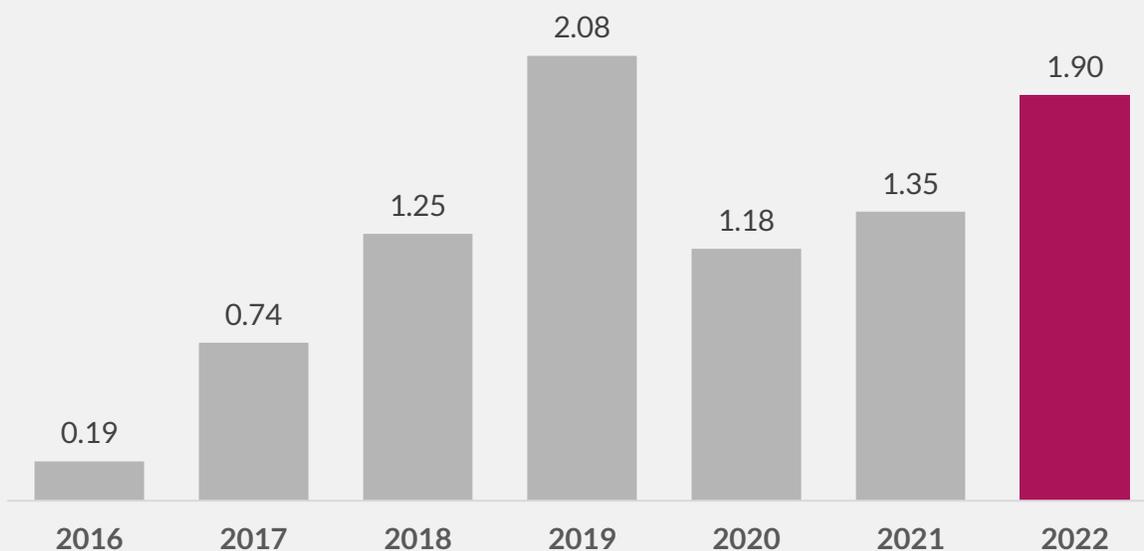
Baa3 (review for upgrade)

1) Leverage ratio: Net interest-bearing debt divided by EBITDAX last 12 months, excluding effects of IFRS16 Leasing

2) Liquidity available: Undrawn bank facilities and Cash and cash equivalents

Return value creation

Aker BP dividends
USD per share



USD 1.9/share

guidance for 2022

40%

dividend growth from 2021

Capacity

for extraordinary dividends or buybacks
if prices sustained above \$65/bbl

Guidance for 2022

	2022 Guidance	Q1-2022 Actuals
Production (mbopd)	210-220	208.2
Opex (USD/boe)	~10	11.6
Capex (USDbn)	1.6	0.4
E&A (USDbn)	0.4	0.07
Decom (USDbn)	0.1	0.02

No change to guidance for full year

- **Production** set to increase in the second half of the year, driven by Johan Sverdrup phase 2 and Hod
- **Opex** currently above guidance, owing to higher power costs and environmental taxes
- **Capex** phasing means spending will increase throughout the year

Priorities ahead

First quarter 2022

- Deliver safe and efficient operations
- Establish net zero plan
- Continue the digital transformation
- Execute projects on time, cost and quality
- Integrate Lundin





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