

# Third quarter 2024

30 October 2024  
Aker BP ASA

# Highlights

Third quarter 2024

## Excellent operational performance

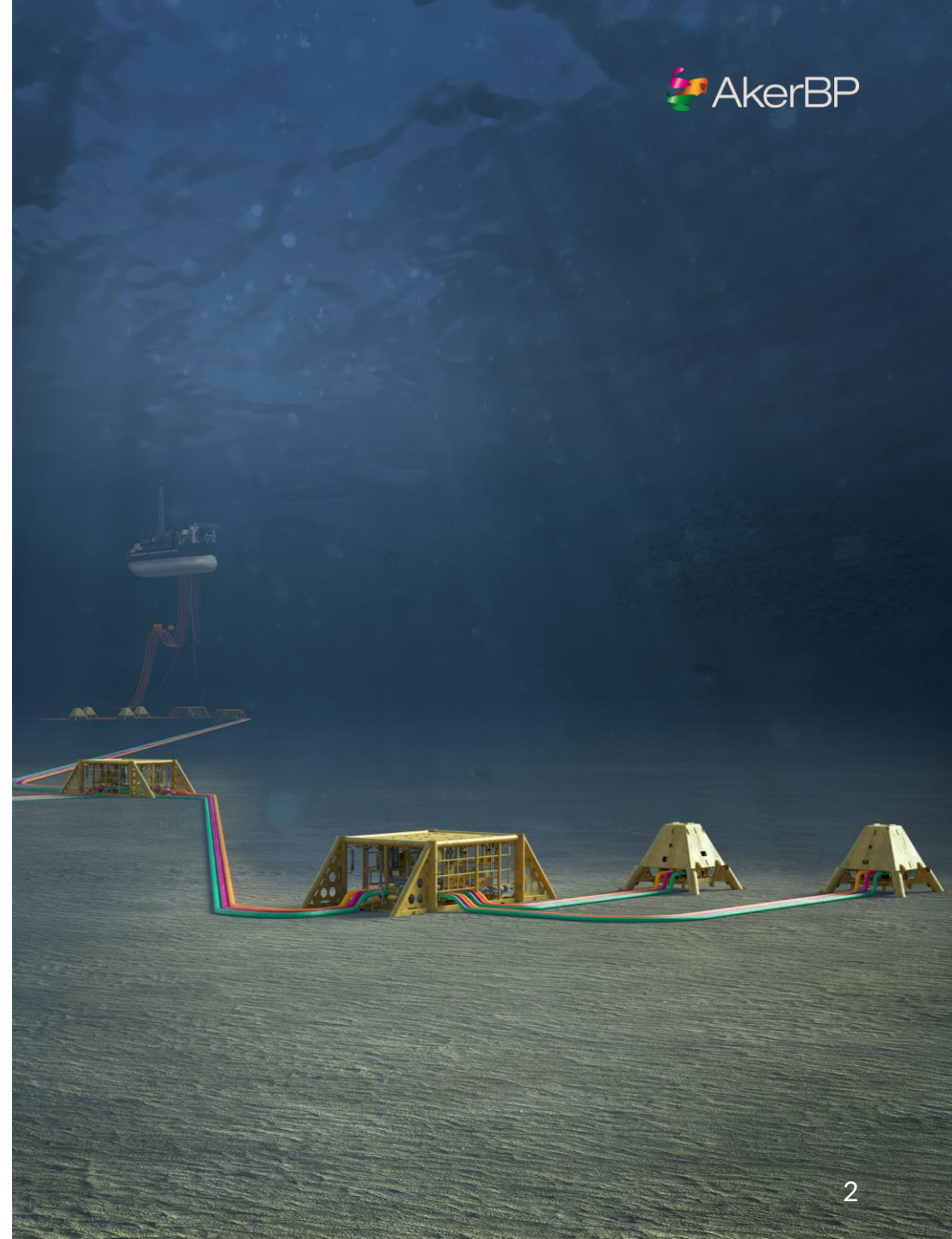
- High production efficiency and volumes despite scheduled maintenance
- Low cost and emissions maintained
- Upgraded full-year guidance with improved production and cost targets

## Development projects on track

- Fabrication, installation and drilling well underway
- Cost estimates and schedule unchanged
- Tyrving start-up accelerated to Q3

## Strong financial performance

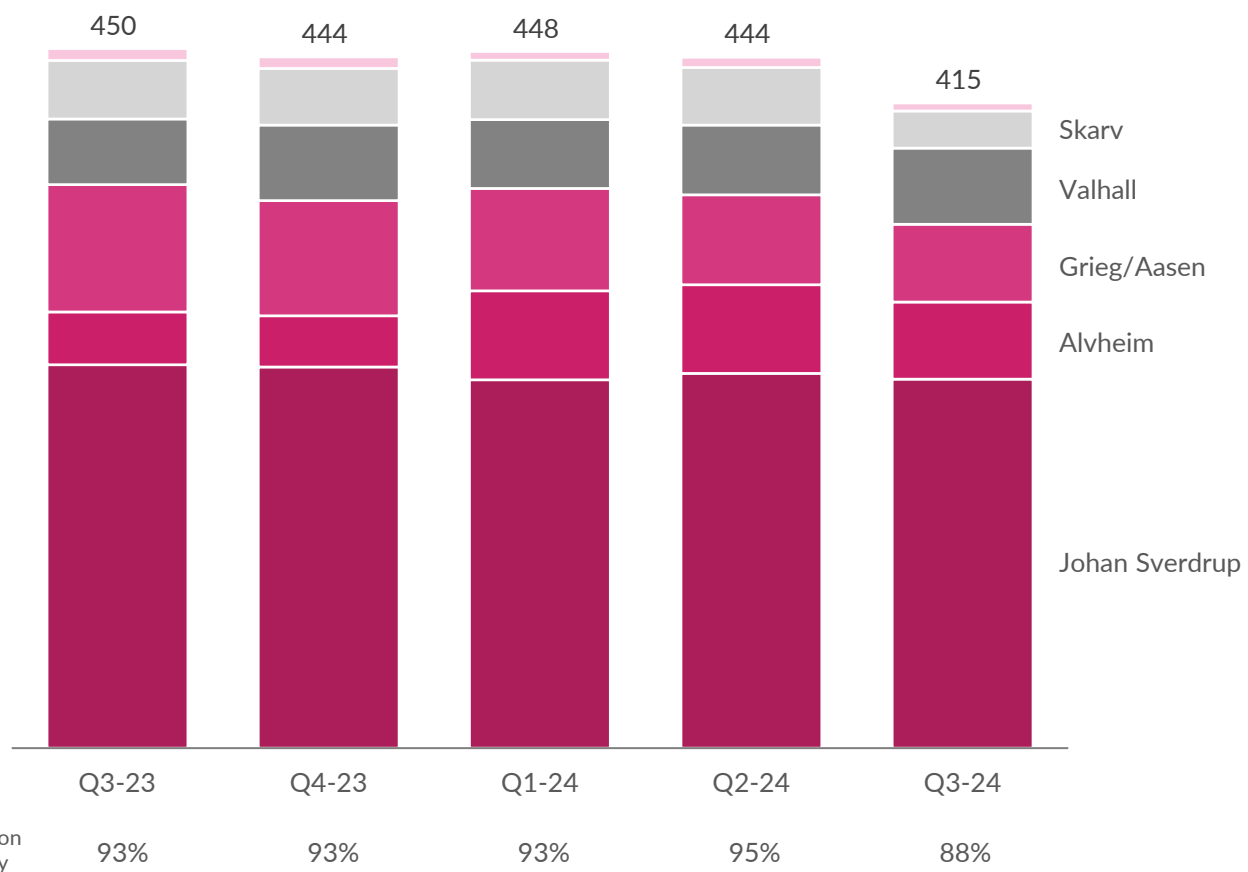
- Record-high quarterly cash flow from operations
- Capital structure optimised with 10-year and 30-year USD bonds
- Dividend of USD 0.60 per share paid in the quarter



# Production

Q3 impacted by scheduled maintenance

1,000 barrels oil equivalents per day, mboepd





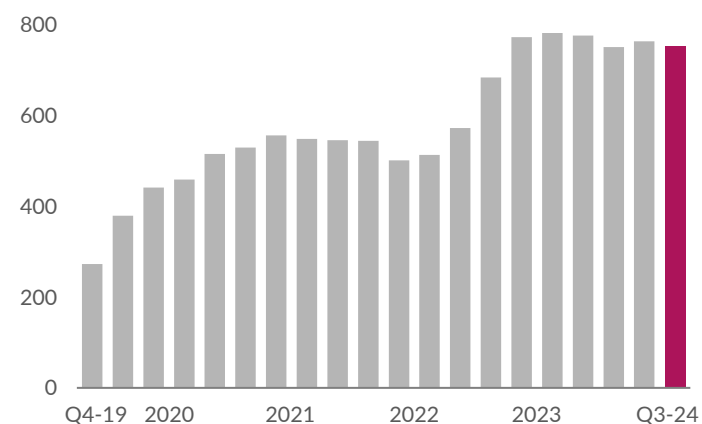
# Johan Sverdrup

## World-class oil field

- High production efficiency
- Opex ~\$2 USD/boe
- Emissions below 1 kg CO<sub>2</sub>e/boe

## Production

mboepd (gross)



## Near-term plans

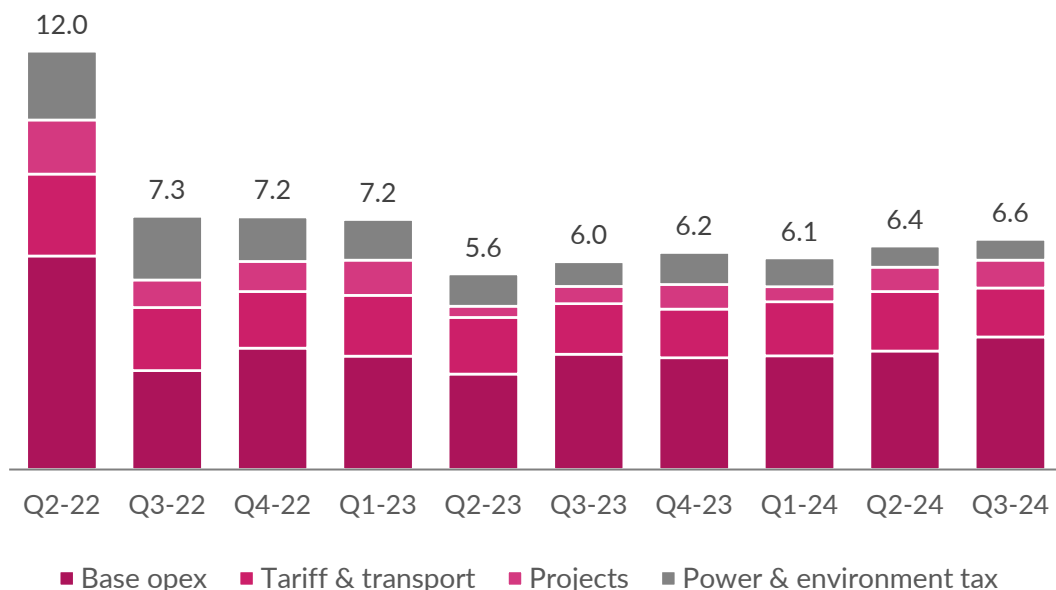
- Finalise drilling campaign
- Retrofit multilaterals
- Phase 3 concept select

# Production costs

A strong competitive position

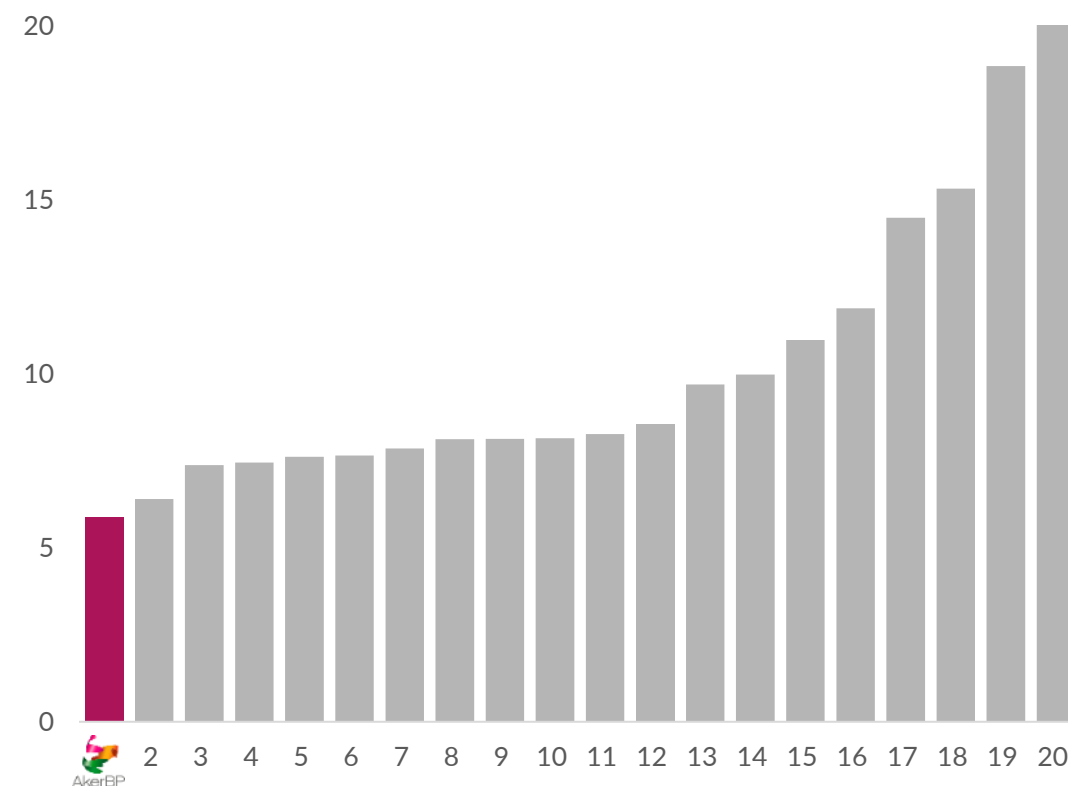
## Aker BP production cost

USD per boe



## Industry peers total operational cost<sup>1</sup>

USD per boe, 2023



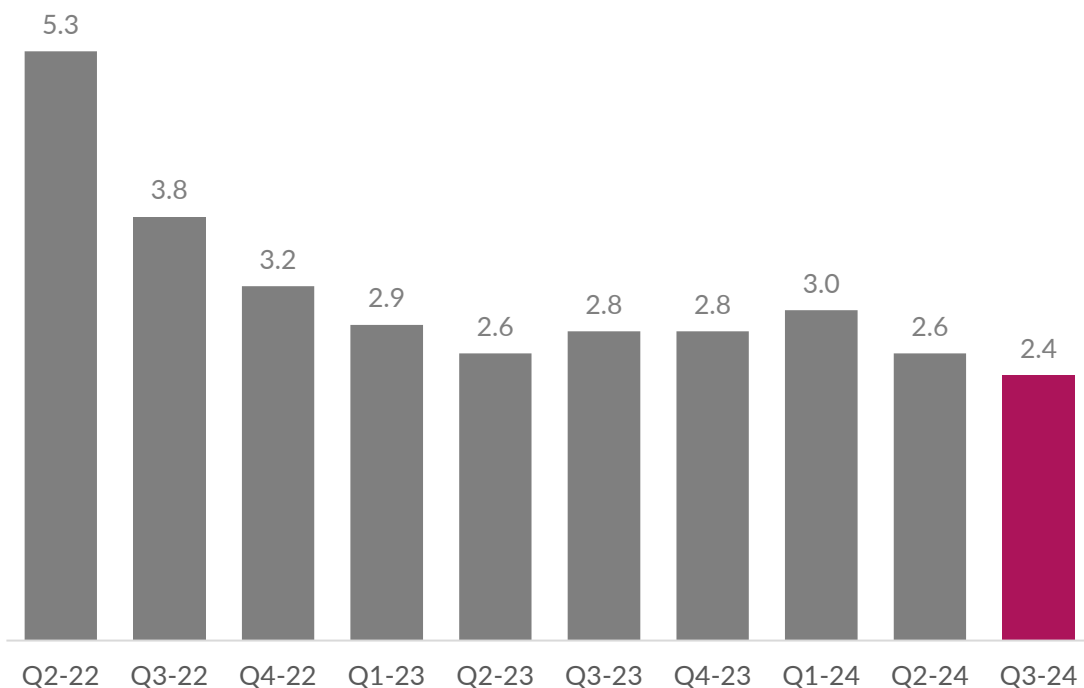
1) Source Wood Mackenzie. Companies included: Aker BP, BP, Chevron, ConocoPhillips, Diamondback Energy, DNO, Eni, EOG Resources, Equinor, ExxonMobil, Galp Energia, Harbour Energy, Hess Corp., Marathon Oil, OKEA, Pioneer, Shell, TotalEnergies, Tullow Oil, Vår Energi

# Decarbonisation

A global leader in low GHG emissions

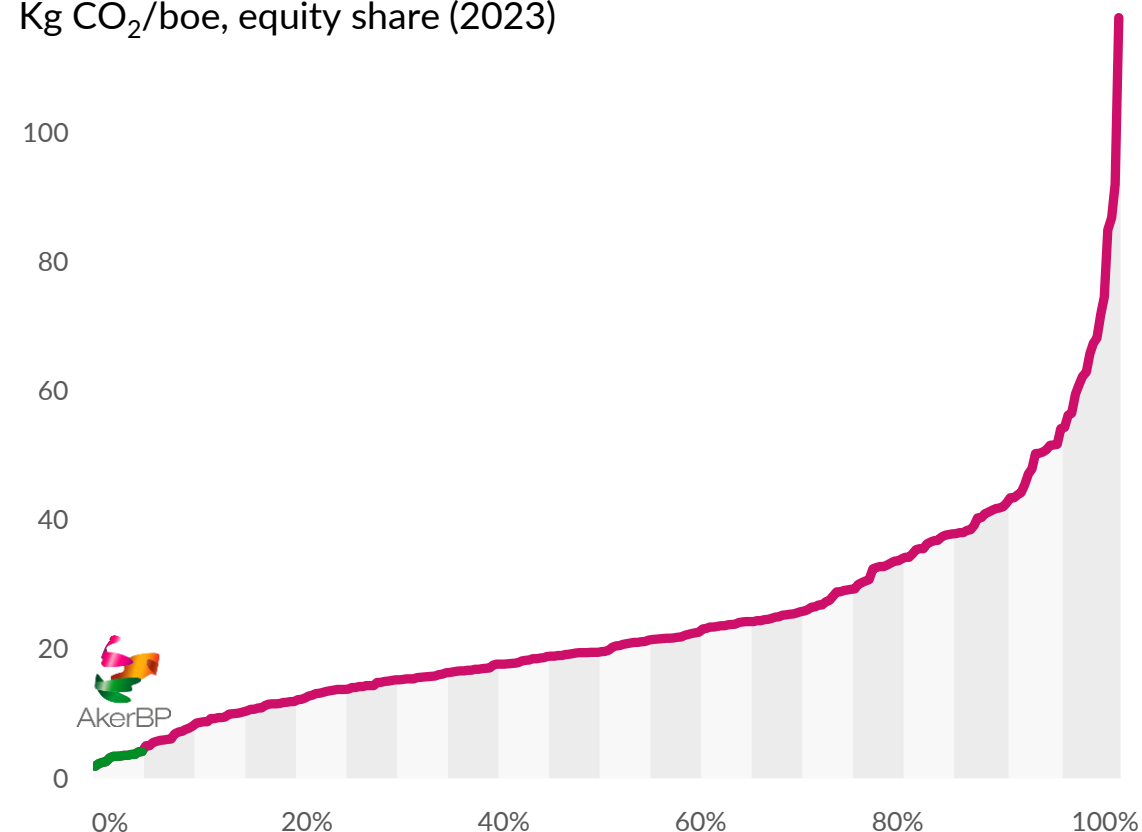
## Decarbonising the business

Aker BP emission intensity, kg CO<sub>2</sub>e/boe



## Industry net emission intensity<sup>1</sup>

Kg CO<sub>2</sub>/boe, equity share (2023)



285 largest producing upstream companies

1) Source Wood Mackenzie. Global upstream CO<sub>2</sub> emissions

# Field developments driving growth and value creation

High returns and low break-evens in investment-friendly tax system

**Yggdrasil**  
Net ~415 mmboe

- New area hub with several discoveries
- Significant exploration upside potential
- Capex USD 10.7bn (pre-tax)

**Valhall PWP/Fenris**  
Net ~190 mmboe

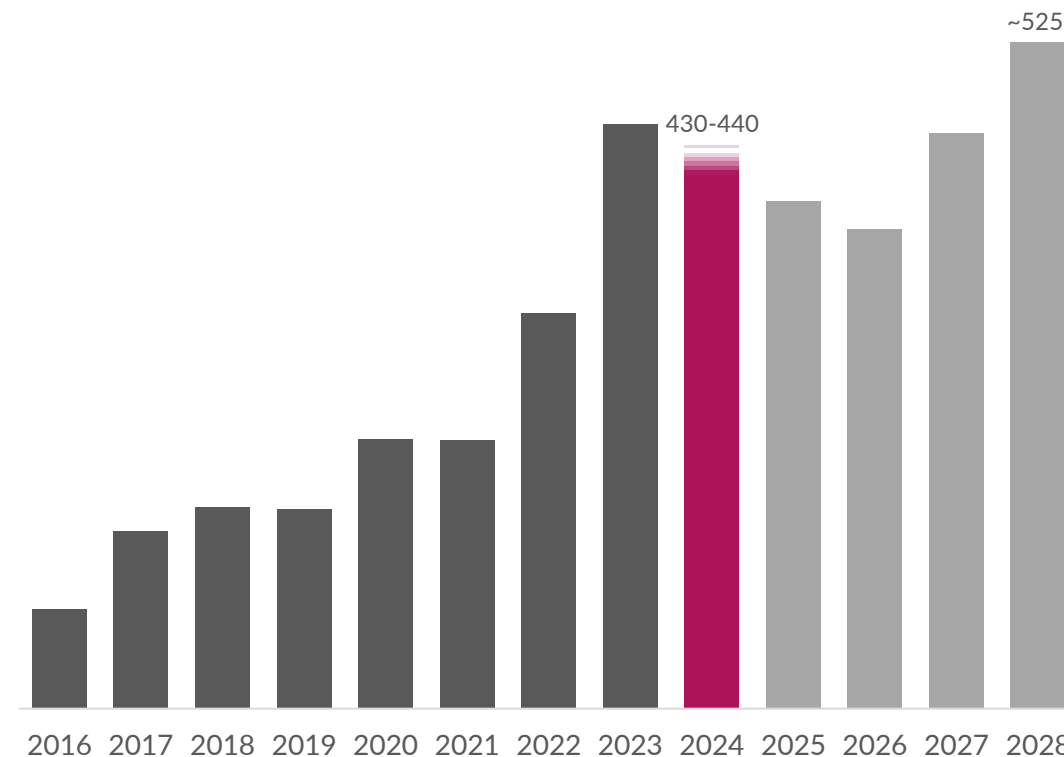
- New platform at Valhall and UI at Fenris
- Modernising Valhall field centre and enabling development of Fenris gas field
- Capex USD 5.5bn (pre-tax)

**Tie-back projects at  
Alvheim, Skarv, Grieg**  
Net ~170 mmboe

- Nine tie-backs to existing infrastructure – four of these on production by Q3-24
- Low breakeven oil price, high returns, and rapid payback time
- Capex USD 4.0bn (pre-tax)

## Production outlook

mboepd



# Projects on track

Successful  
installation  
activities

From pre-  
fabrication to  
yard assembly

Focus on  
quality and  
schedule

Total capex  
estimate in line  
with plans

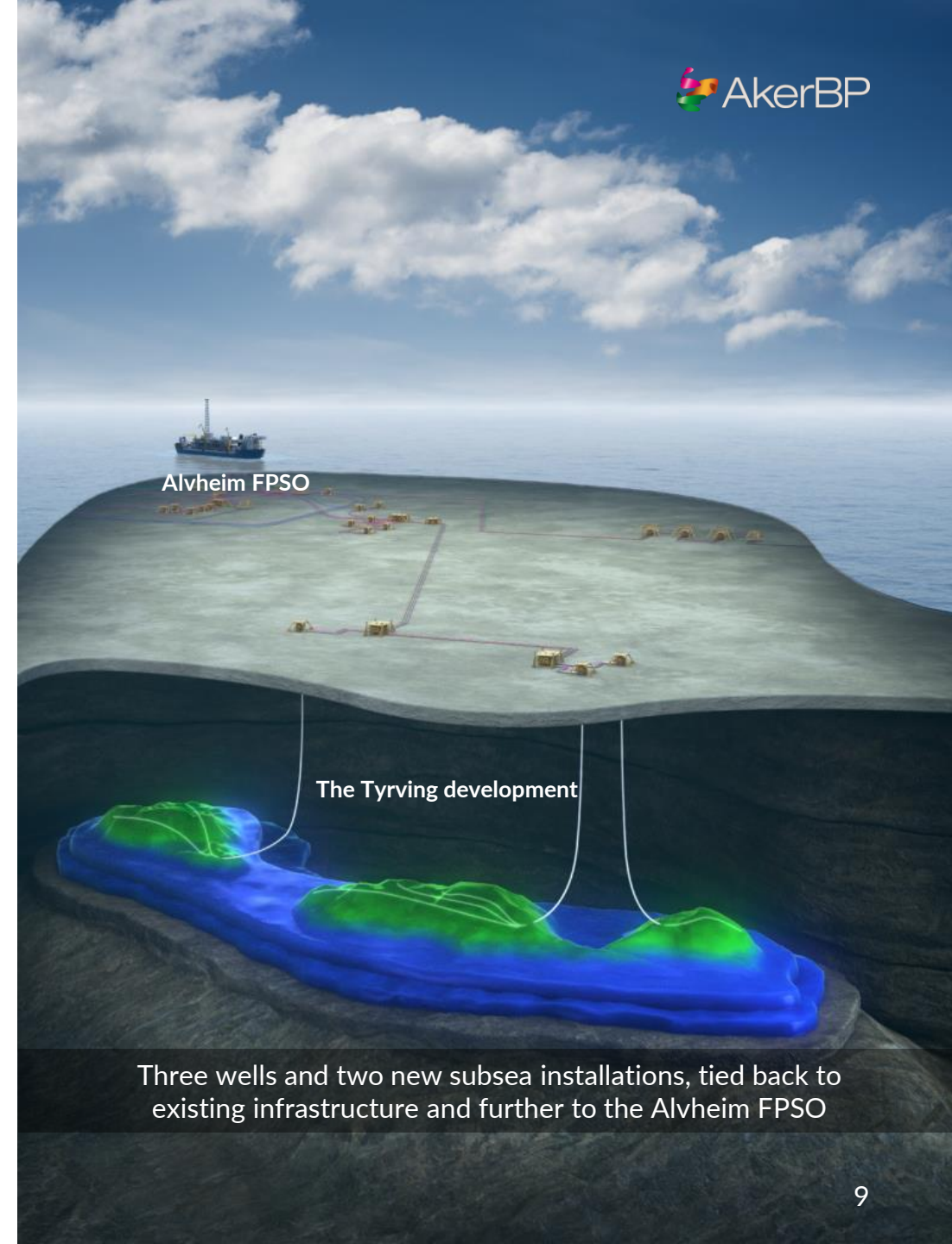




# Successful Tyrving start-up

Efficient execution | Ahead of schedule | Below budget

- Delivered through our alliance model, fostering collaboration with suppliers toward shared goals and incentives
- World-class drilling and subsea performance
- Estimated gross recoverable resources ~25 mmboe<sup>1</sup>
- Expected gross production over 13 mboepd by 2025
- Exceptionally low operational emissions of only 0.3 kg CO<sub>2</sub>e/boe



1) Aker BP operator and 61.3% ownership in Tyrving

# Aker BP project overview

Four projects already on stream - Combined below budget and ahead of schedule

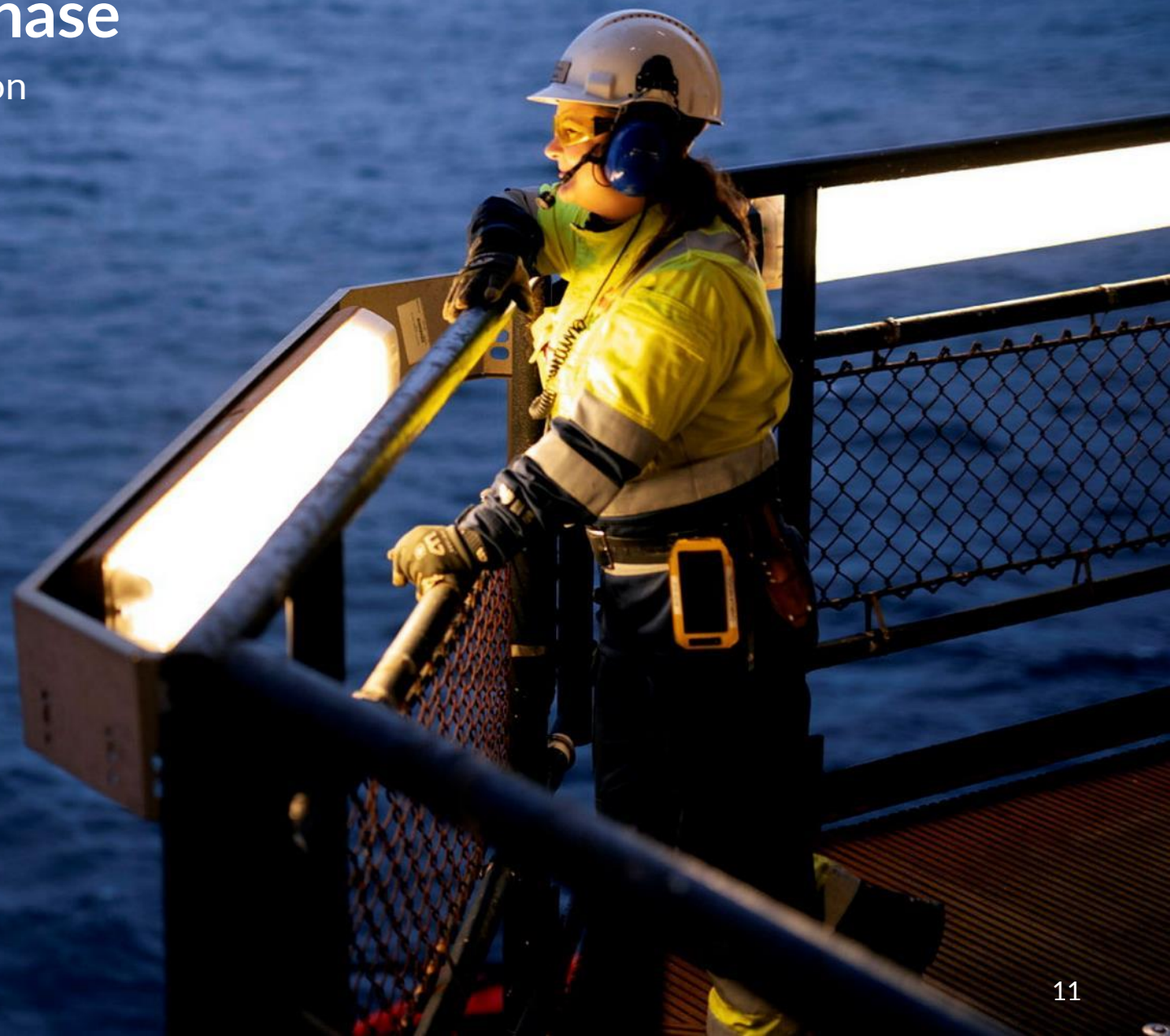
Asset area	Field development	Aker BP ownership	Gross/net volume	Net capex estimate	PDO submission	Production start
Alvheim	Frosk	80.0%	10/8 mmboe	USD 0.2bn	2021	2023 ✓
	Kobra East & Gekko	80.0%	50/40 mmboe	USD 0.9bn	2021	2023 ✓
	Tyrving	61.3%	25/15 mmboe	USD 0.4bn	2022	2024 ✓
Grieg/Aasen	Hanz	35.0%	20/7 mmboe	USD 0.2bn	2021	2024 ✓
	Symra	50.0%	87/49 mmboe	USD 1.3bn	Dec-22	2026
	Solveig Phase II	65.0%				2026
Skarv	Alve North	68.1%	119/51 mmboe	USD 1.0bn	Dec-22	2027
	Idun North	23.8%				2027
	Ørn	30.0%				2027
Valhall	Valhall PWP	90.0%	230/187 mmboe	USD 5.5bn	Dec-22	2027
	Fenris	77.8%				2027
Yggdrasil	Hugin	87.7%	650/415 mmboe	USD 10.7bn	Dec-22	2027
	Munin	50.0%				2027
	Fulla	47.7%				2027

# Targeting the next growth phase

Develop existing resources | M&A | Exploration

## Reserves and resources

billion boe



# Exploration strategy

Establishing new growth options

## Uniquely positioned on the NCS

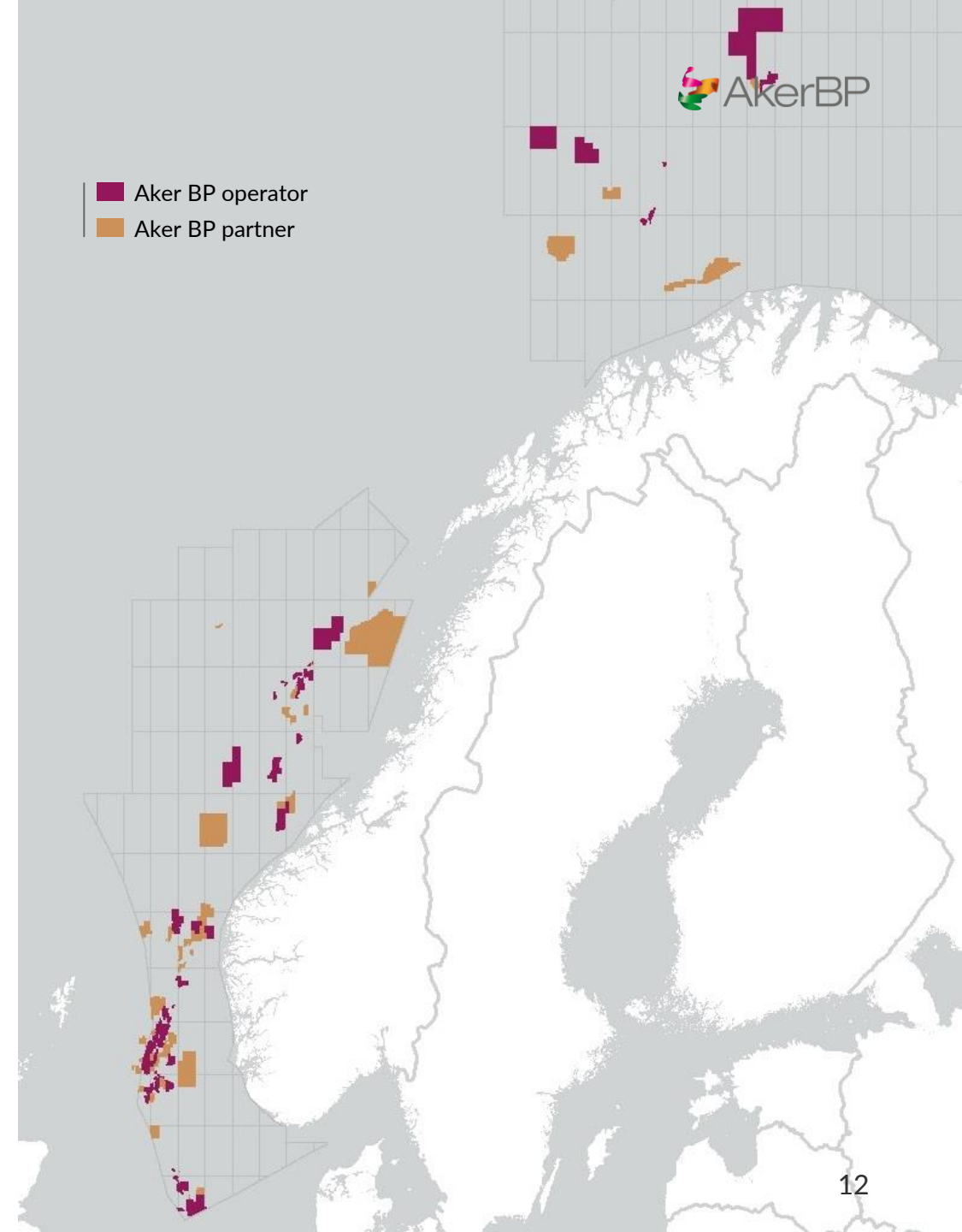
- Second largest player with over 200 licences
- Present in all key NCS regions
- Operator of ~70%

## Driving innovation

- Technology development driving efficiency and success rates
- Data gathering and processing speed multiplied

## Ambitious exploration programme

- 10-15 exploration wells per year
- 80% near-field – 20% in new areas



# Drilling ahead

High-impact wells and emerging opportunities

## Skarv area – building on recent successes

- Multiple discoveries under evaluation for development (Adriana, Lunde and Storjo)
- Three firm wells scheduled: Sabina, Kongeørn and E-prospect
- Additional prospects advancing towards drill decisions

## Northern North Sea – an emerging exploration region

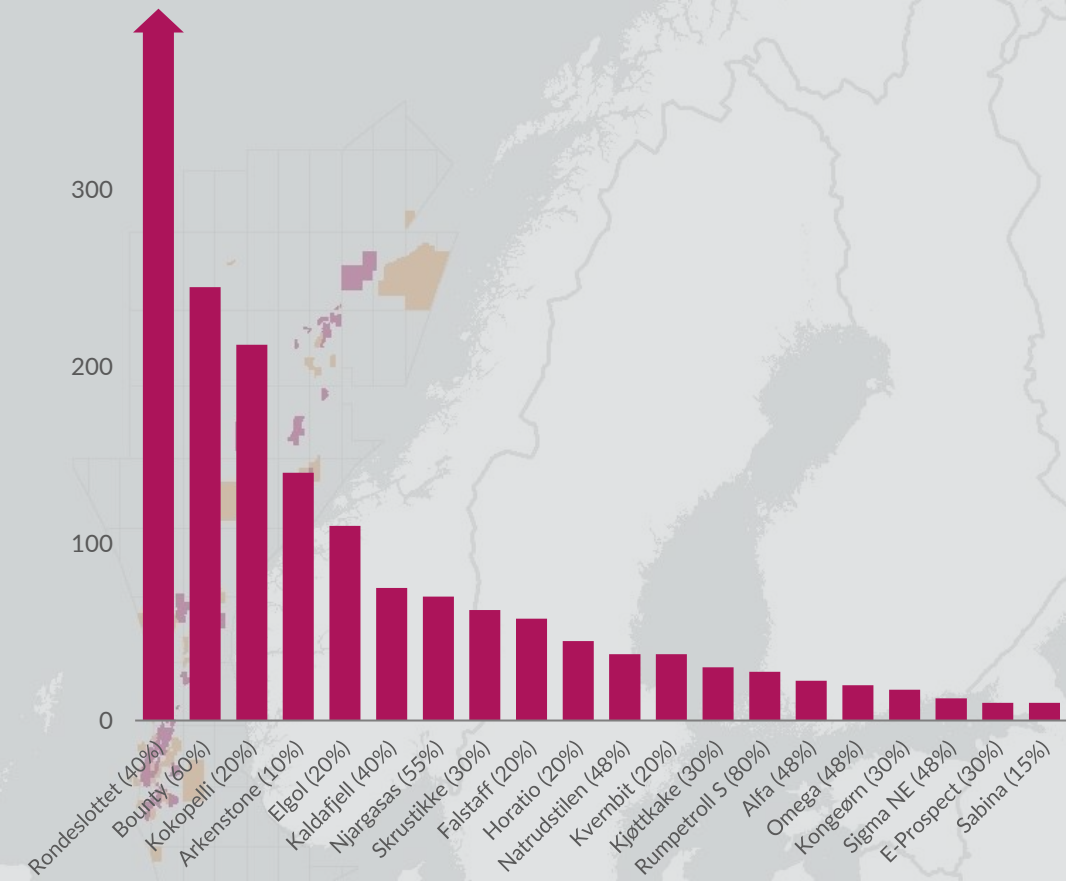
- Substantial potential with several recent discoveries
- Four firm wells scheduled: Kaldafjell, Njargasas, Horatio and Skrustikke
- Additional prospects advancing towards drill decisions

## Other wells to watch

- High-potentials planned for drilling in the next 12 months: Rondeslottet, Bounty, Arkenstone and Kokopelli
- East Frigg success unlocks additional opportunities in the Yggdrasil area

## Significant exploration potential

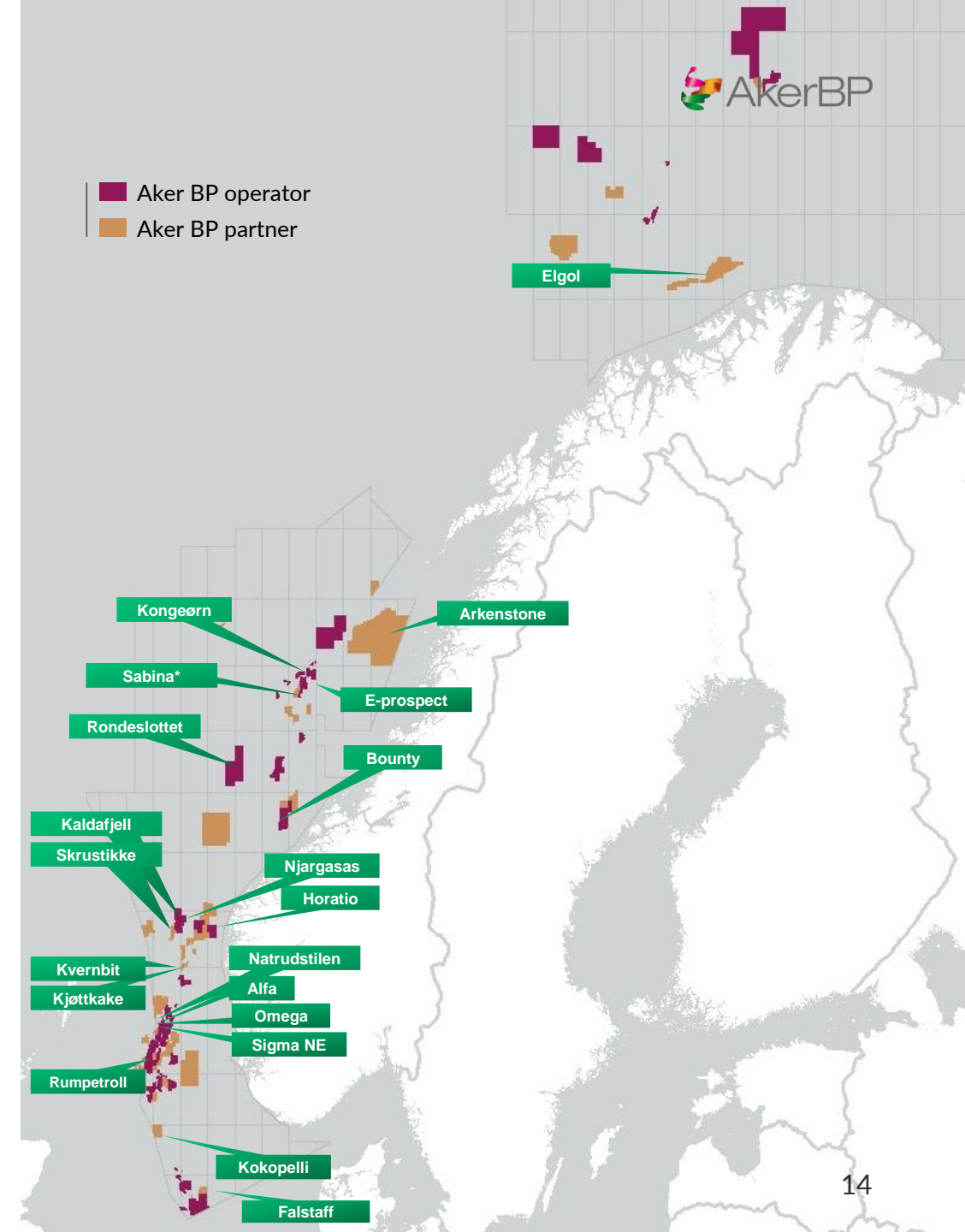
Pre-drill volume estimates (mid-point, mmboe gross)



# Near-term exploration programme

Licence	Prospect	Operator	Aker BP share	Pre-drill mboe	Status
PL261	✓ Storjo	Aker BP	70%		21-67 mmboe
PL1086	Falstaff	DNO	20%	20 - 95	Ongoing
PL1185	Kvernbit	Equinor	20%	10 - 65	Ongoing
PL211CS	Sabina (appraisal)	Wintershall Dea	15%	5 - 15	Ongoing
PL932	Kaldafjell	Aker BP	40%	10 - 140	Ongoing
PL1014	Arkenstone	Equinor	10%*	30 - 250	Q4-24
PL1110	Njargasas	Aker BP	55%	20 - 120	Q4-24
PL1131	Elgol	Vår Energi	20%	30 - 180	Q4-24
PL869	Rumpetroll South	Aker BP	80%	10 - 45	Q4-24
PL1005	Rondeslottet	Aker BP	40%	700 - 1,000	Q1-25
PL1090	Kokopelli	Vår Energi	20%*	50 - 375	Q1-25
PL1109	Horatio	OMV	20%*	20 - 70	Q1-25
PL1182S	Kjøttkake	DNO	30%	20 - 40	Q1-25
PL212	E-Prospect	Aker BP	30%	5 - 15	Q1-25
PL554	Skrustikke	Equinor	30%	25 - 100	Q1-25
PL886	Bounty	Aker BP	60%	50 - 440	Q1-25
PL942	Kongeørn	Aker BP	30%	5 - 30	Q1-25
PL873	Alfa	Aker BP	48%	10 - 35	Q2-25
PL873	Natrudstilen	Aker BP	48%	15 - 60	Q2-25
PL873	Sigma NE	Aker BP	48%	5 - 20	Q2-25
PL873B	Omega	Aker BP	48%	5 - 35	Q2-25

\* Subject to government approval



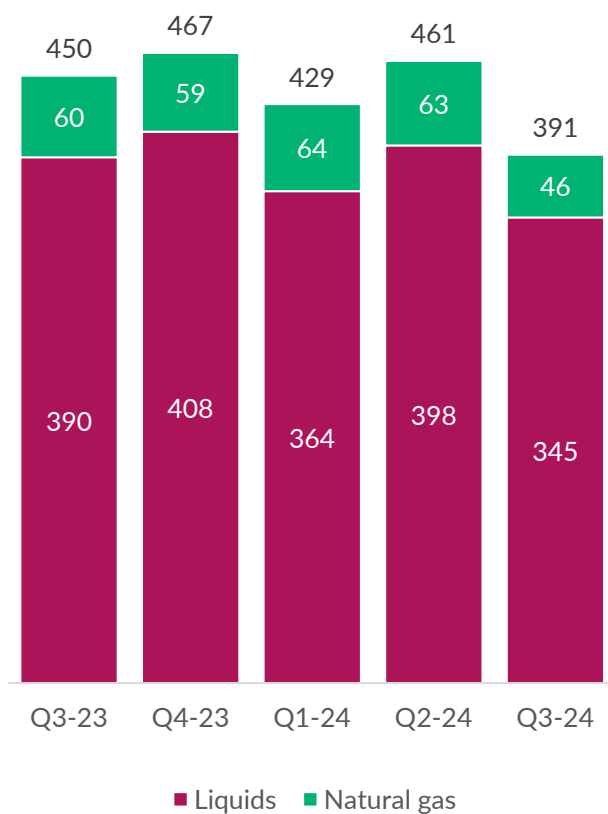
# Financial highlights



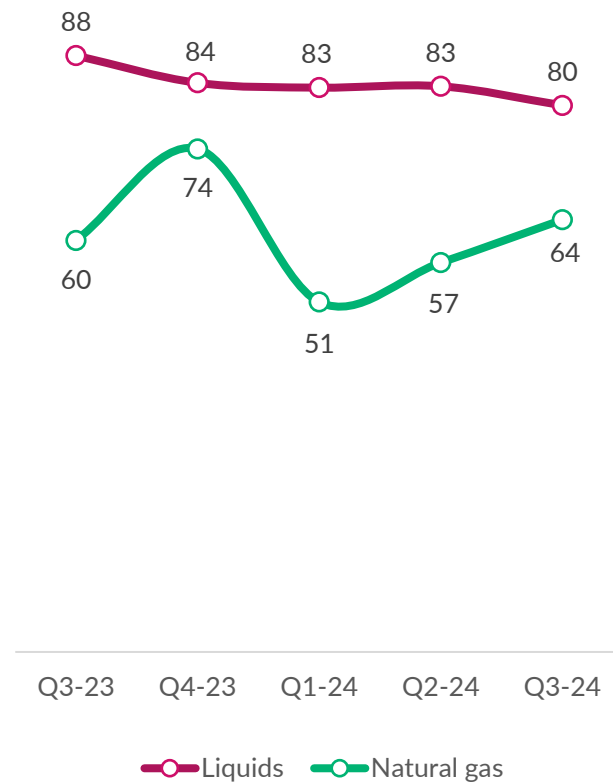
- Record-high cash flow generation
- Further improved financial position
- Positive revisions to full-year guidance
- Dividend of USD 0.60 per share

# Sales of oil and gas

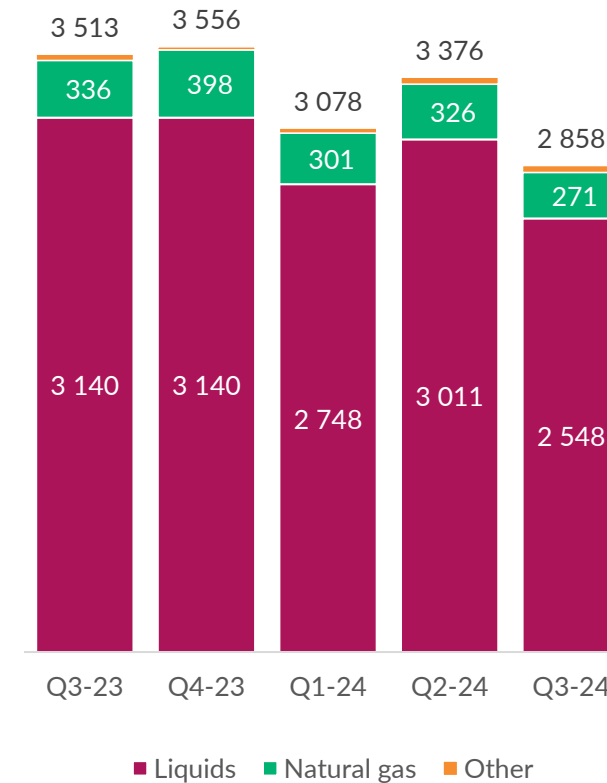
**Volume sold**  
mboepd



**Realised prices**  
USD/boe



**Total income**  
USD million





# Income statement

USD million

	Q3 2024			Q2 2024		
	Before impairment	Impairments	Actual	Before impairment	Impairments	Actual
<b>Total income</b>	<b>2 858</b>		<b>2 858</b>	<b>3 377</b>		<b>3 377</b>
Production costs	186		186	290		290
Other operating expenses	19		19	13		13
<b>EBITDAX</b>	<b>2 652</b>		<b>2 652</b>	<b>3 074</b>		<b>3 074</b>
Exploration expenses	40		40	108		108
<b>EBITDA</b>	<b>2 612</b>		<b>2 612</b>	<b>2 966</b>		<b>2 966</b>
Depreciation	614		614	588		588
Impairments		304	304		83	83
<b>Operating profit (EBIT)</b>	<b>1 998</b>	<b>(304)</b>	<b>1 695</b>	<b>2 378</b>	<b>(83)</b>	<b>2 295</b>
Net financial items	(68)		(68)	(16)		(16)
<b>Profit/loss before taxes</b>	<b>1 931</b>	<b>(304)</b>	<b>1 627</b>	<b>2 362</b>	<b>(83)</b>	<b>2 279</b>
Tax (+) / Tax income(-)	1 454		1 454	1 718		1 718
<b>Net profit / loss</b>	<b>477</b>	<b>(304)</b>	<b>173</b>	<b>644</b>	<b>(83)</b>	<b>561</b>
EPS (USD)	0.76		0.27	1.02		0.89
<i>Effective tax rate</i>	<i>75 %</i>		<i>89 %</i>	<i>73 %</i>		<i>75 %</i>

**391 mboepd (461)**

Oil and gas sales

**\$78 per boe (80)**

Net realised price

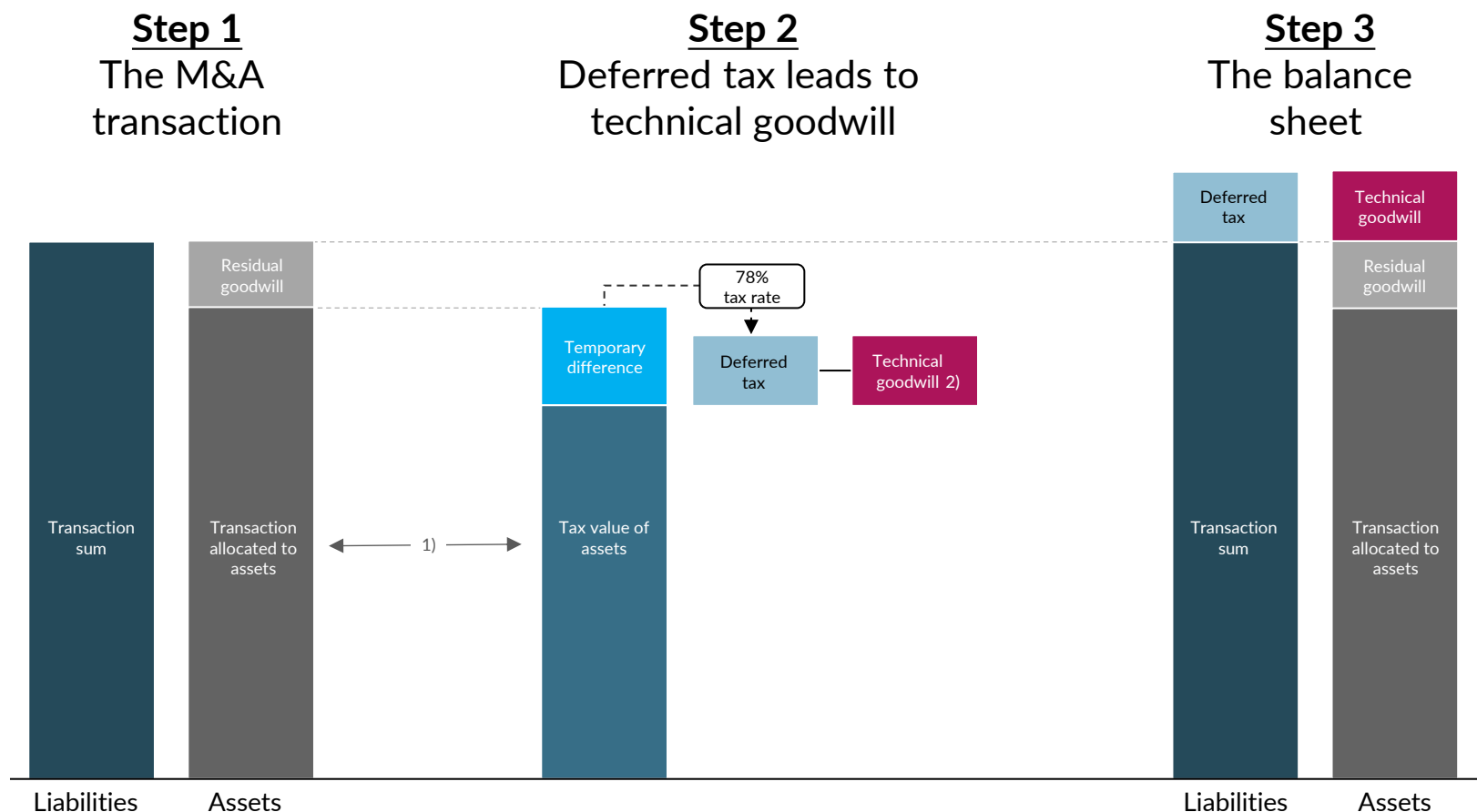
**\$6.6 per boe (6.4)**

Production cost

# Technical goodwill explained

Accounting effect arising from M&A transactions

## Illustrative example of goodwill formation and impairments



- Technical goodwill, allocated to assets during transactions, is not depreciated
- Impaired over the asset's lifetime at a 0% tax rate, affecting EPS
- The impairment has no effect on the company's cash flow
- Aker BP has USD 5.9 billion in technical goodwill per Q3-24

1) In Norway, much of capex is immediately tax deductible, so asset value in the tax balance sheet is lower than the asset value in the accounting balance sheet. 2) Technical goodwill is mirroring the gross-up effect of deferred tax. See company reporting and [www.akerbp.com/en/investor/analyst](http://www.akerbp.com/en/investor/analyst) for further details.

# Cash flow

USD million

	Q3-24	Q2-24	Q1-24	Q4-23
Op. CF before tax and WC changes	2 595	3 133	2 986	3 204
Net taxes paid	(424)	(2 086)	(1 054)	(2 207)
Changes in working capital <sup>1</sup>	586	100	(476)	506
Cash flow from operations	2 757	1 147	1 456	1 503
Cash flow from investments	(1 402)	(1 430)	(1 117)	(1 042)
<b>Free cash flow</b>	<b>1 355</b>	<b>(283)</b>	<b>339</b>	<b>461</b>
Net debt drawn/repaid	-	807	-	(0)
Dividends	(379)	(379)	(379)	(348)
Interest, leasing & misc.	(112)	(119)	(110)	(85)
Cash flow from financing	(491)	308	(489)	(433)
Net change in cash	864	25	(150)	28
<b>Cash at end of period</b>	<b>4 147</b>	<b>3 233</b>	<b>3 215</b>	<b>3 388</b>

**\$2.8 bn (1.5)**

Cash flow from operations

**\$2.15 (-0.45)**

FCF per share

**\$0.60 (0.60)**

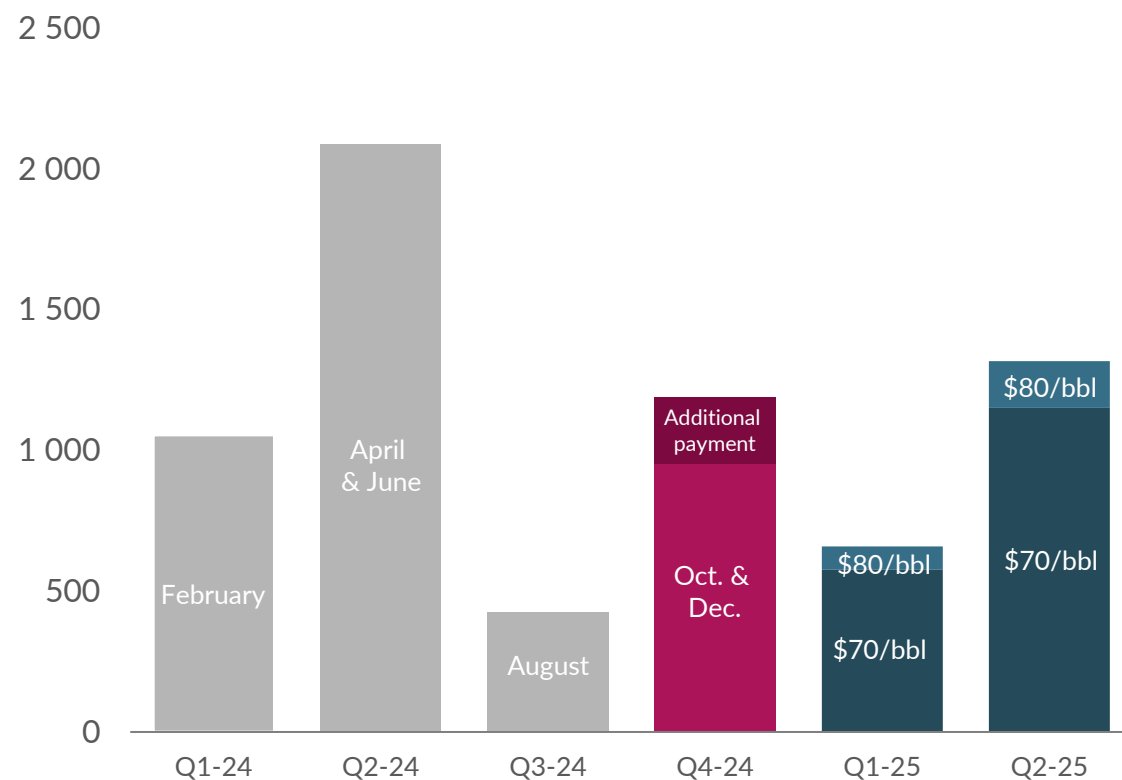
Dividend per share

1) Changes in inventories and trade creditors/receivables

# Near-term tax payments

## Sensitivity for H1-2025

USD million



## Tax instalments

- Tax for the year is paid in six bimonthly instalments with six months delay
- Initial tax estimate for the year is made in Q2, the H2-instalments are then fixed in NOK
- Voluntary additional payment in October

## Q4-24 assumptions for H1-25 sensitivity analysis

- Two oil price scenarios illustrated
- Gas prices assumed at USD 10.3 per mmbtu
- USDNOK rate assumed at 10.5

# Balance sheet

USD million

Assets	30.09.24	30.06.24	31.12.23
PP&E	19 803	18 620	17 450
Goodwill	12 757	13 060	13 143
Other non-current assets	3 362	3 307	3 314
Cash and equivalent	4 147	3 233	3 388
Other current assets	1 625	1 997	1 751
<b>Total Assets</b>	<b>41 693</b>	<b>40 218</b>	<b>39 047</b>
Equity and liabilities			
Equity	12 477	12 685	12 362
Financial debt	6 673	6 589	5 798
Deferred taxes	12 363	11 691	10 592
Other long-term liabilities	5 125	4 734	4 861
Tax payable	2 904	2 512	3 600
Other current liabilities	2 152	2 007	1 833
<b>Total Equity and liabilities</b>	<b>41 693</b>	<b>40 218</b>	<b>39 047</b>

**\$7.5 bn (\$6.6)**

Total available liquidity

**30% (32%)**

Equity ratio

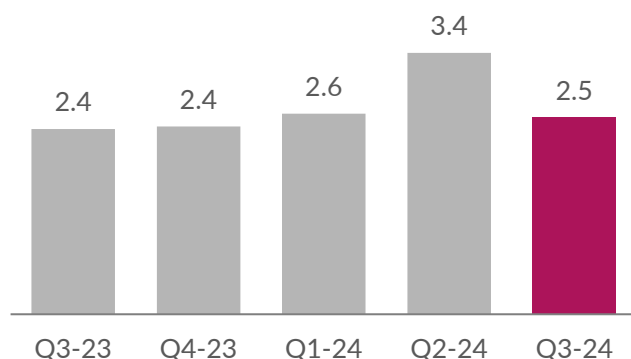
**0.21 (0.27)**

Leverage ratio

# Maintaining financial flexibility

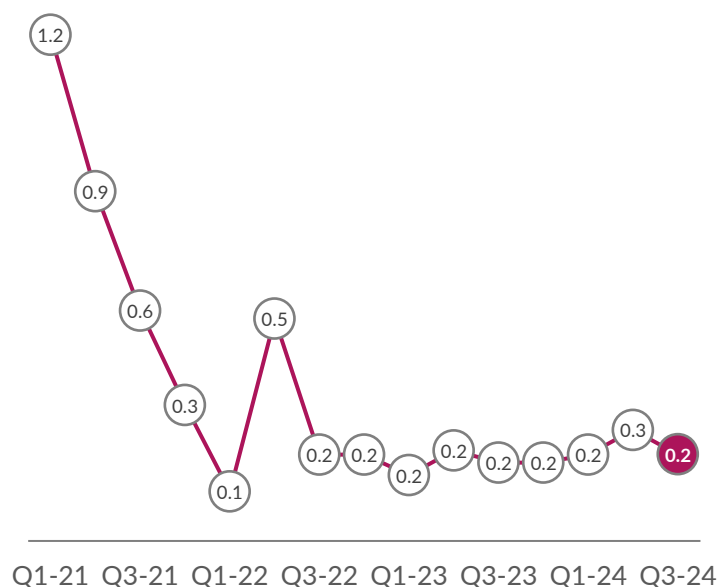
## Net interest-bearing debt

Excl. leases, USD billion



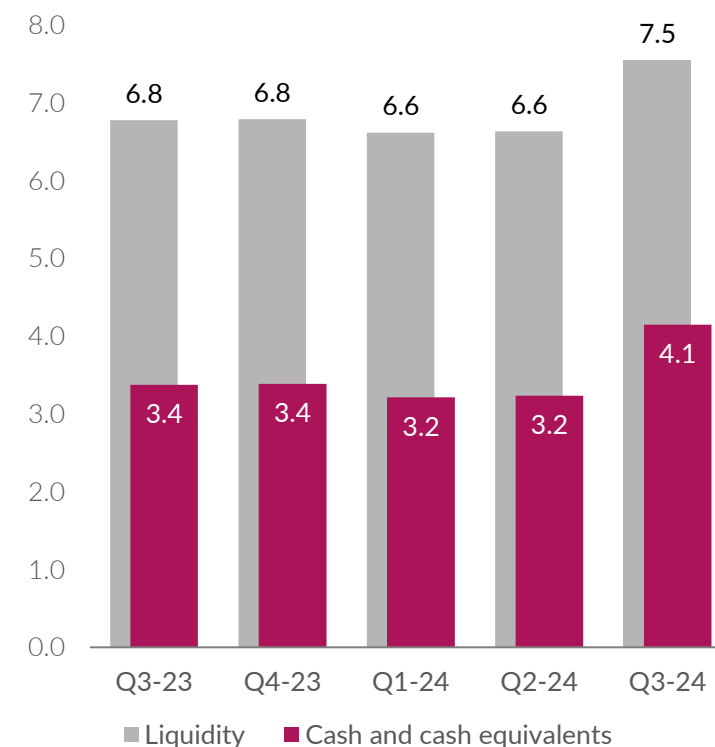
## Leverage ratio<sup>1</sup>

Targeting below 1.5 over time



## Liquidity available<sup>2</sup>

USD billion



Investment grade credit ratings

**S&P Global**  
Ratings

**BBB**

**MOODY'S** **Baa2**

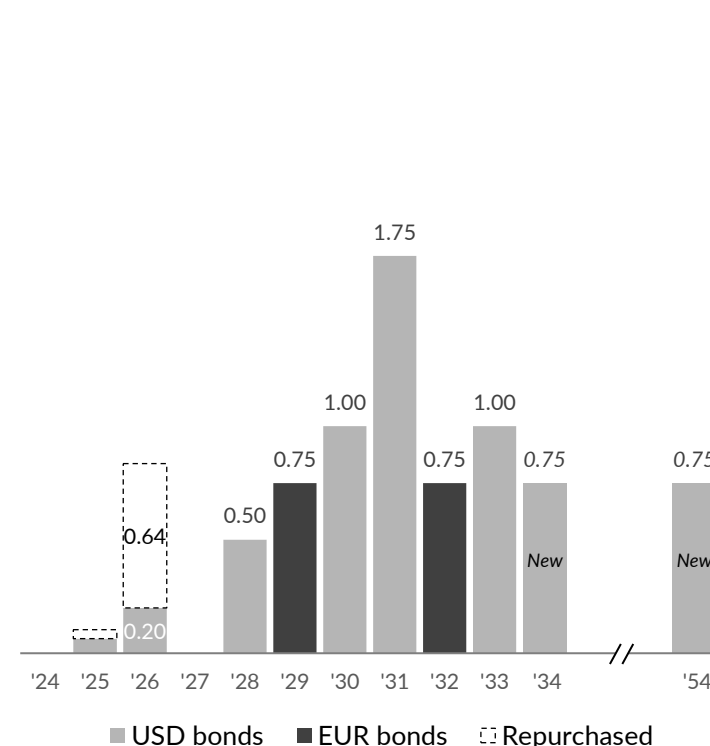
**FitchRatings** **BBB**

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

# Optimising the capital structure

New 10-year and 30-year USD senior notes issued 1 October 2024

**Bond maturities**  
USD/EUR billion



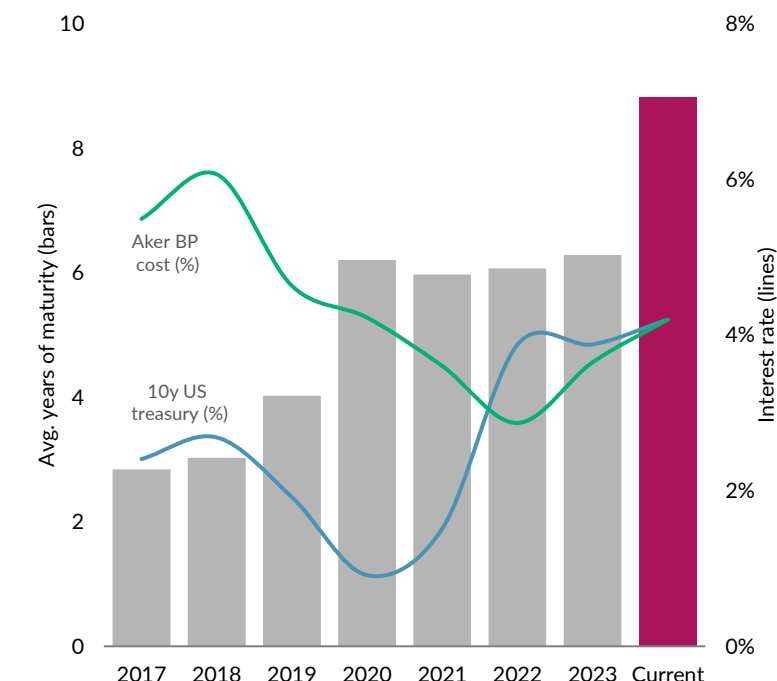
## Aligning debt maturities with longevity of business profile

- Issued USD 1.5 billion notes split equally between 10 and 30 years
- Repurchased of USD 668 million with maturity 2025/26
- Increased average debt maturity by 3 years

## Strong demand and pricing of milestone 30-year notes illustrate investor long-term confidence

- Demand for oil and gas
- Attractiveness of the Norwegian basin
- Strategy and value creation of Aker BP

## Longer maturity at attractive terms



# Value creation and distributions

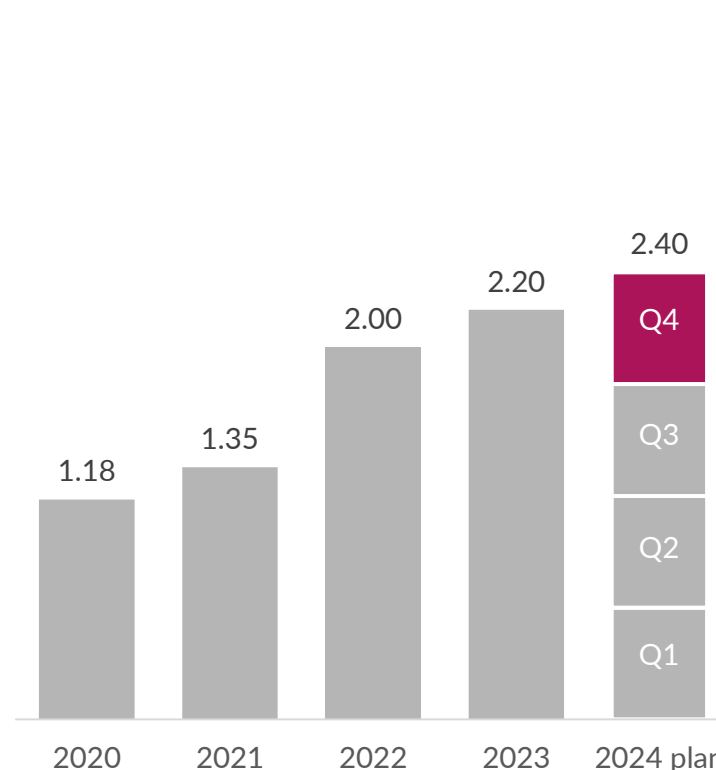
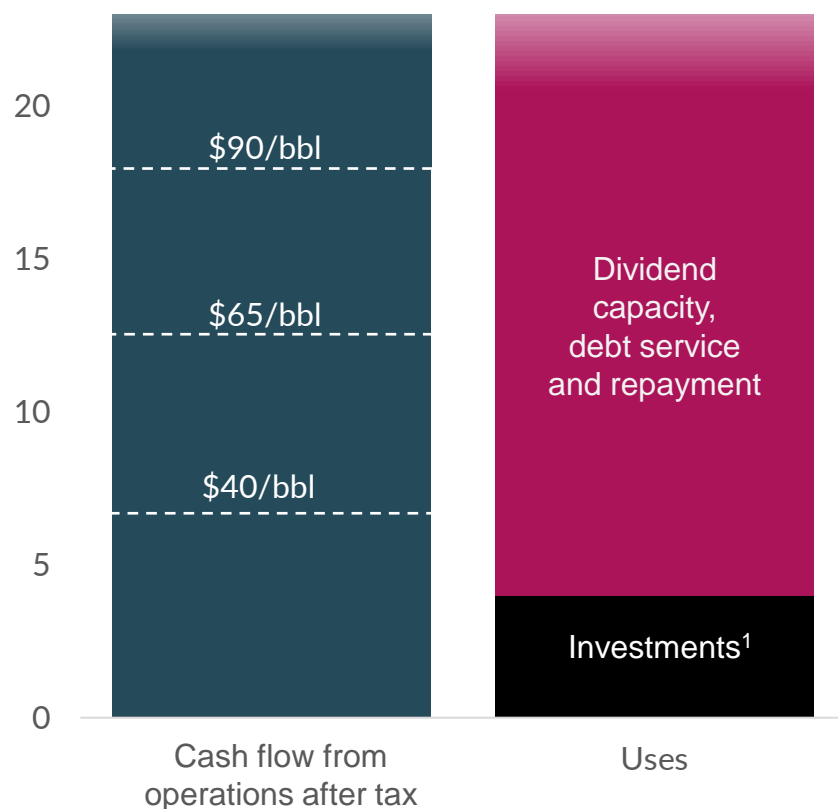
Strong and resilient cash flow as basis for dividend growth

## Aker BP value creation plan 2023-2028

USD billion, accumulated

## Dividends

USD per share



- Strong and resilient dividend capacity
- Distributions reflect financial capacity through the cycle
- Quarterly dividend of USD 0.60 per share paid in Q3 2024
- Approximately 9% dividend growth for the full year 2024
- Ambition to grow dividends by at least 5% annually

1) Investments after tax deductions. 2023 as reported. USDNOK of 10.0, 9.5 and 8.5 for '24, '25 and '26+, respectively



# 2024 guidance

	Previous guidance	Actual Jan-Sept	New guidance
<b>Production</b> mboepd	420-440	436	430-440
<b>Production cost</b> USD/boe	~7.0	6.3	~6.5
<b>Capex</b> USD billion	~5.0	3.5	~5.0
<b>Exploration</b> USD billion	~0.50	0.38	~0.50
<b>Abandonment</b> USD billion	~0.25	0.22	~0.25



# Delivering on the strategy

<p>Operate safely and efficiently</p>	<p>Decarbonise our business</p>	<p>Deliver high return projects on quality, time and cost</p>	<p>Establish the next wave of profitable growth options</p>	<p>Return maximum value to our shareholders and our society</p>
<p>Production YTD 436 mboepd</p> <p>Unit cost YTD \$6.3/boe</p>	<p>GHG intensity below 3 kg CO<sub>2</sub>e/boe</p> <p>A global leader in low CO<sub>2</sub> emissions</p>	<p>Projects progressing as planned</p> <p>Tyrving on stream 5 months ahead of plan</p>	<p>Multiple discoveries near existing infrastructure</p> <p>High-potential exploration programme</p>	<p>Free cash flow of \$2.15 per share</p> <p>Quarterly dividend \$0.60 per share</p>

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