

# Delivering growth and value

Modifications Conference

19 March 2024



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# Clear strategy for growth and value creation

Reliable and secure supplier of energy to Europe

Pure play oil and gas company on the NCS

Safe and responsible

# A stronger pure-play E&P

## Neptune a perfect fit

- ✓ Adds scale, diversification and longevity
- ✓ Cash-generative portfolio from day one
- ✓ Strengthening future dividend capacity
- ✓ Additional synergies identified post announcement

## Increased identified synergy potential

USD **~500 million**<sup>1</sup>

(up from USD >300 million)

~200  
licenses  
68 operated

47 fields  
7 operated

4 hub  
areas

3<sup>rd</sup> largest  
NCS producer



■ Vår Energi licenses



## Delivering growth

10 projects  
in execution

~400 kboepd  
by end-2025



5

Image: Jotun FPSO at Worley Rosenberg yard in Stavanger, Norway

## Sustaining production

>20 early phase  
projects

350-400 kboepd  
towards 2030



Image: Duva tieback to Gjåa

## Unlocking future value

~60 wells next four  
years

Accelerated  
exploration



Image: Transocean Enabler



# Delivering growth

## Projects in execution

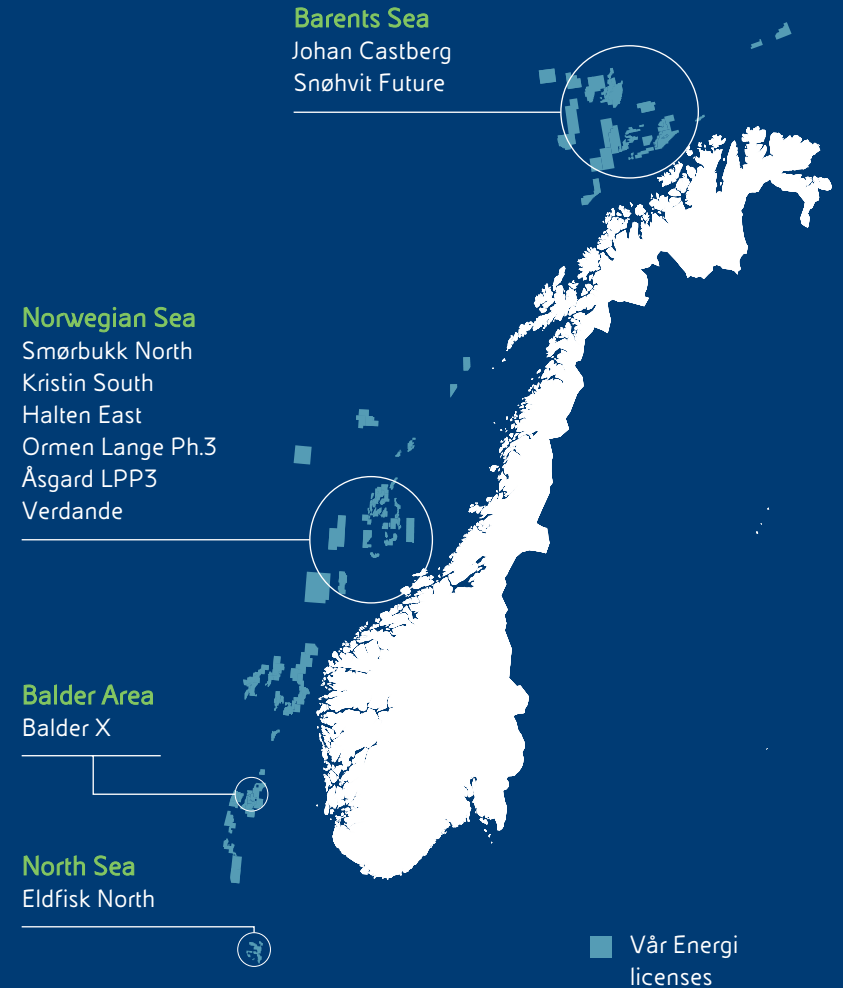
10 projects developing >400 mmmboe<sup>1</sup>

USD ~35 per boe  
Breakeven

~2 years  
Pay-back<sup>2</sup>

>25%  
IRR across portfolio<sup>2</sup>

>50% complete  
7 of 10 projects



1. Net  
2. Assumptions stated in the appendix



Sustaining production

# Flexible and robust early phase projects

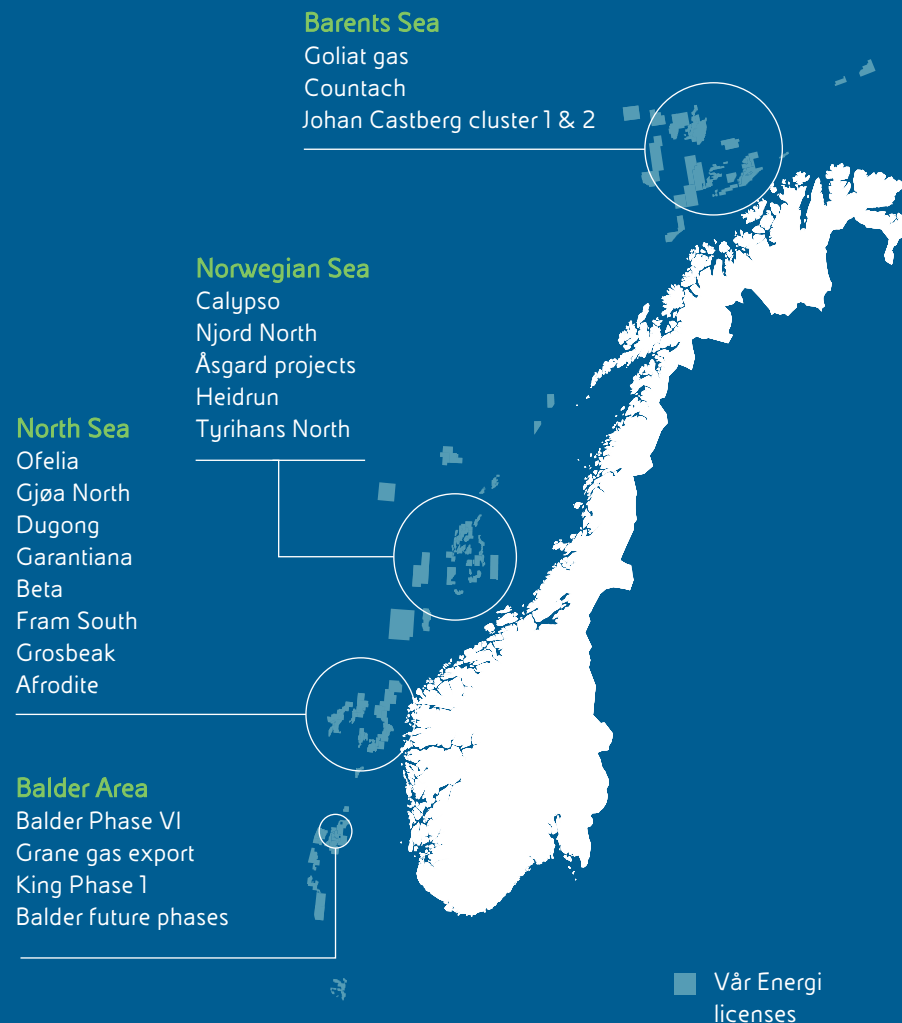
>20 projects targeting ~400 mmmboe<sup>1</sup>

Internal rate of return<sup>2</sup>  
>25%

Breakeven  
~35  
USD/boe

Close to existing  
infrastructure across NCS

Short time  
to market

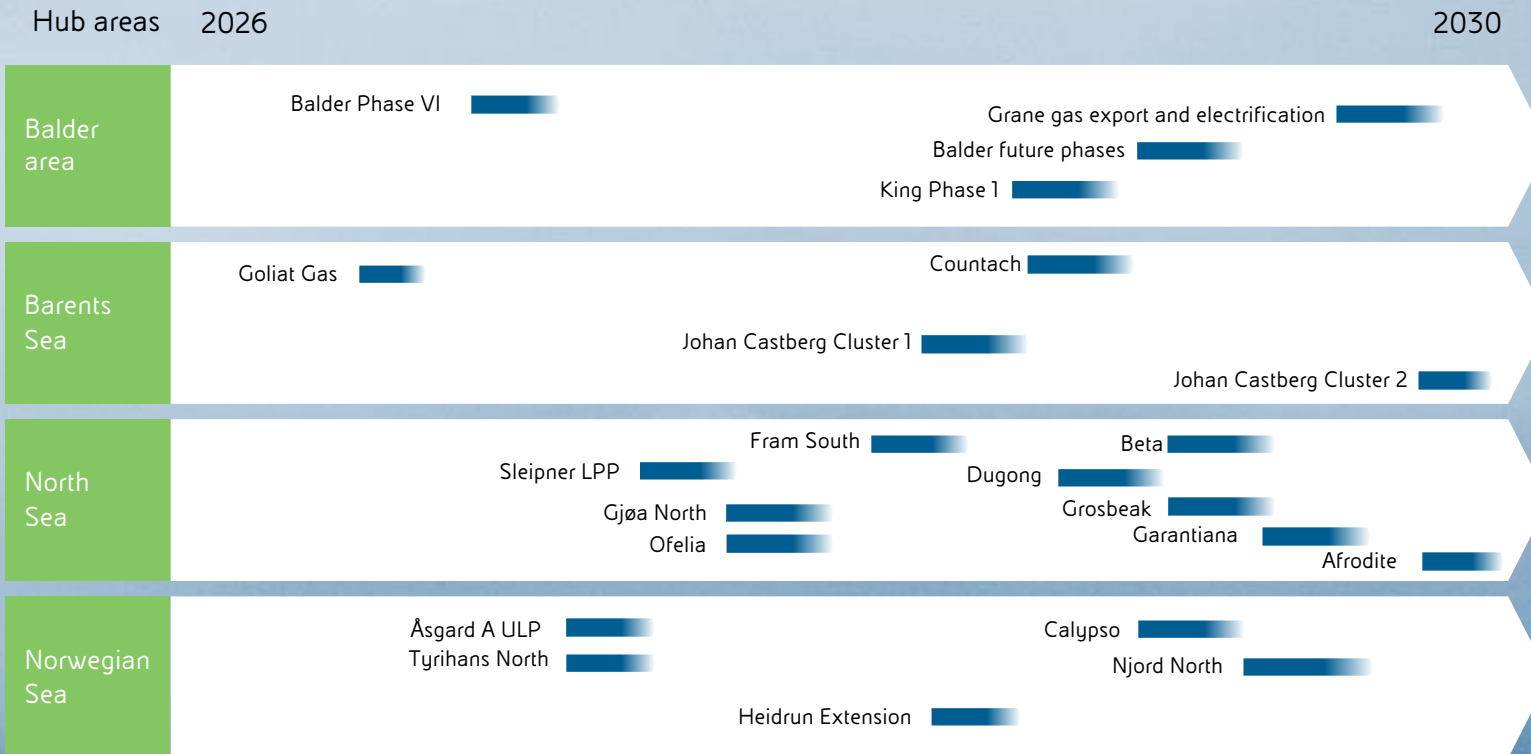


1. Net  
2. Assumptions stated in the appendix

## Sustaining production

# >20 early phase project being matured

■ Estimated production start-up, early phase projects<sup>1</sup>



Low-risk  
tie-back portfolio

Simplification and  
standardisation

Disciplined, robust  
and countercyclical

Leveraging strategic  
partnerships



# Modification Projects portfolio



- Life extension on Balder completed through two High Activity Periods with flotel (2021 and 2023)
- More than 250 small and medium modifications in portfolio
- More than 200 vessel days in 2023 executing a combination of IMR and project scope
- Continued support to Ringhorne Drilling program - planning ongoing for a Drill break at during 2024 -

# Secured capacity across the value chain

Subsea



OceanInstaller

Drilling



HALLIBURTON

COSL

Topside



Improved safety

Short time-to-market

Cost-efficient solutions

Lower emissions

Standardisation



## Balder area

# Utilising new infrastructure

Early phase projects targeting **>100** mmboe<sup>1</sup>

Balder Phase VI

Balder electrification

Grane infill

King development

Grane gas export and electrification

Balder future phases

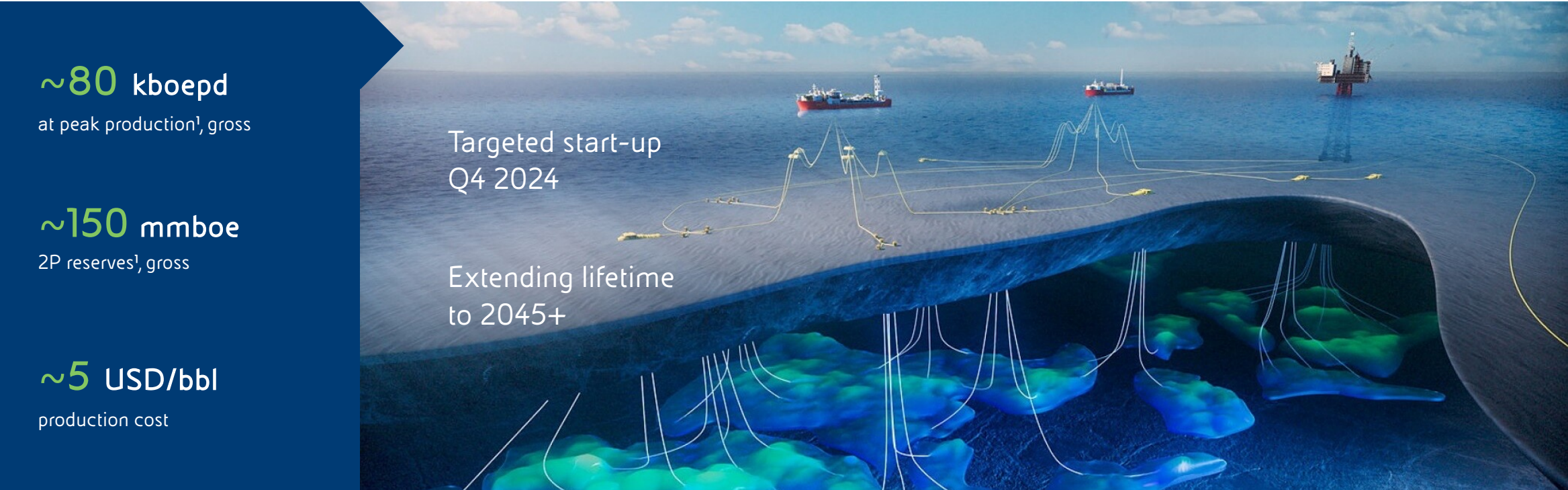
**>70** infill drilling  
targets identified

**~10** exploration  
targets next 4 years



# Balder X nearing first oil

Production for decades  
in the Balder area



**~80** kboepd

at peak production<sup>1</sup>, gross

**~150** mmboe

2P reserves<sup>1</sup>, gross

**~5** USD/bbl

production cost

Targeted start-up  
Q4 2024

Extending lifetime  
to 2045+

**SPS/SURF<sup>2</sup> >85% complete**

Majority of subsea equipment installed

**Jotun FPSO >90% complete**

High construction activity at yard

**Drilling >75% complete**

10 of 14 production wells completed

12 1. 90% working interest  
2. Subsea Production Systems (SPS) and Subsea Umbilicals, Risers & Flowlines (SURF)

## Barents Sea

# Significant upside potential

Early phase projects targeting **>100** mmboe<sup>1</sup>

Goliat Gas Export

Johan Castberg Cluster 1

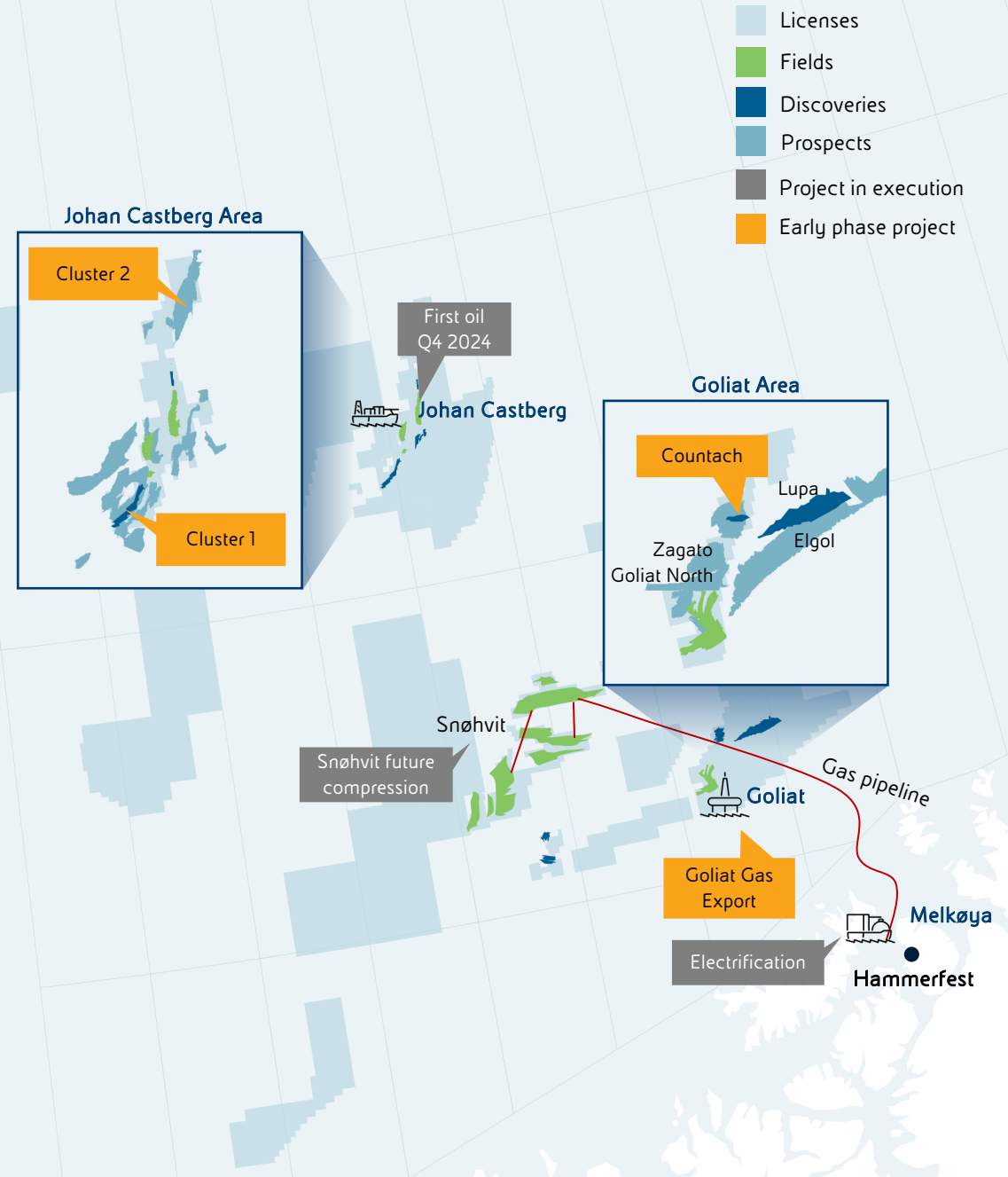
Countach

Johan Castberg Cluster 2

Johan Castberg first oil Q4 2024 - **key area enabler**

Goliat gas targeted **start-up in 2026**

Snøhvit Future - **electrified by 2030**



# Balder FPU lifetime extension - a historic moment!



- High Activity Periods on Balder in 2021 and 2023 (HAP21 and HAP23)
- Footbridge connection between two floaters (of which one is connected to a turret moored FPSO) - first time on the NCS
- The solution provided maximum utilization of POB capacity - 120 people on board at any time
- Comprehensive upgrade programme completed in four months
- High uptime for bridge connection during the periods
- Zero injuries



vår energi