



E&P

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Do-it-yourself guide for E&P valuation sensitivities

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E&P sector: Do-it-yourself guide for E&P valuation sensitivities

- **Sensitivities a hot topic:** Over the past few weeks, we have spent substantial amount of time on oil and gas earnings sensitivity analyses in various forms. Therefore, we have now tried to develop do-it-yourself tables where investors can find the most relevant sensitivities for various oil and gas price scenarios. Hopefully, that will save both us and clients for time. We present sensitivities for those companies we frequently get questions about – typically those with a material portion of its asset in production and/or exposure to European gas prices: Equinor, Aker BP, DNO, Noreco, BW Energy and OKEA.
- **Eight price decks:** Going forward, as long as the Ukraine/Russia war continues, we expect oil and gas prices to be even more volatile than we are used to. Our tables shows eight price decks for Brent oil price and NBP gas price: Ranging from USD 70/bbl for Brent and USD 10/mmbtu for gas, to USD 140 for Brent and USD 70/mmbtu for gas. I.e., we use an even wider price range for gas than oil. USD 70/mmbtu corresponds to above USD 400/boe. While the relationship between earnings and energy prices is exponential at low energy prices and more linear on higher prices, cash flow dynamics may be very different due to 1) capex and 2) tax treatment of capex.
- **Very low single digit P/E at current prices:** As of 9 March, we are close to the USD 130/bbl and USD 60/mmbtu scenario. In that scenario we estimate 2022 P/E of 2.8x for Equinor, 4.0x for Aker BP, 1.3x for DNO, 3.5x for Noreco, 3.6x for BW Energy and 1.6x for OKEA. However, we stress that these multiples probably not is an appropriate tool for assessing long-term underlying values.

Sensitivities 1/4

Share prices used	2022	2023	2024
Equinor	307	307	307
Aker BP	318	318	318
DNO	14	14	14
Noreco	245	245	245
BW Energy	26	26	26
OKEA	33	33	33

Brent, USD/bbl	Base case from model: 86, 78, 70 for 2022-24e								
NBP gas, USD/mmbtu	Base case from model: 21, 12, 10 for 2022-24e								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	8.3x	13.0x	15.1x	3.6x	4.9x	5.1x	14%	7%	5%
Aker BP	8.7x	10.7x	12.8x	4.0x	7.2x	8.0x	15%	-3%	-11%
DNO	2.5x	2.6x	3.4x	2.5x	2.6x	3.4x	18%	13%	7%
Noreco	10.8x	7.1x	5.4x	5.3x	4.5x	3.1x	6%	13%	30%
BW Energy	7.9x	5.1x	4.1x	5.2x	2.9x	1.8x	-14%	7%	32%
OKEA	1.6x	1.7x	1.6x	0.6x	1.3x	2.1x	104%	26%	31%

Brent, USD/bbl	80								
NBP gas, USD/mmbtu	10								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	14.9x	12.2x	11.0x	9.1x	5.6x	5.0x	2%	8%	7%
Aker BP	11.4x	9.9x	9.8x	6.5x	7.7x	8.3x	6%	-3%	-12%
DNO	2.8x	2.4x	2.6x	2.8x	2.4x	2.6x	15%	16%	12%
Noreco	18.7x	6.5x	4.2x	6.8x	4.4x	2.5x	2%	14%	39%
BW Energy	9.2x	4.3x	2.6x	6.0x	2.7x	1.2x	-16%	10%	55%
OKEA	5.9x	5.9x	6.1x	2.4x	3.4x	5.5x	10%	3%	8%

Sensitivities 2/4

Brent, USD/bbl	90								
NBP gas, USD/mmbtu	20								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	7.9x	7.0x	6.5x	3.9x	3.5x	3.1x	13%	14%	13%
Aker BP	8.3x	7.3x	7.3x	3.6x	6.6x	7.2x	16%	-2%	-9%
DNO	2.3x	2.0x	2.1x	2.3x	2.0x	2.1x	20%	19%	16%
Noreco	10.0x	3.6x	2.6x	5.0x	2.3x	2.0x	7%	34%	51%
BW Energy	7.0x	3.4x	2.0x	4.9x	2.0x	0.8x	-13%	18%	87%
OKEA	3.8x	3.9x	3.9x	1.8x	2.9x	4.5x	21%	6%	12%

Brent, USD/bbl	100								
NBP gas, USD/mmbtu	30								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	5.4x	4.9x	4.6x	2.2x	2.3x	1.9x	25%	20%	20%
Aker BP	6.5x	5.8x	5.8x	2.3x	5.6x	6.1x	25%	-1%	-7%
DNO	1.9x	1.7x	1.7x	1.9x	1.7x	1.7x	25%	22%	19%
Noreco	6.8x	2.5x	1.9x	3.9x	1.5x	1.6x	13%	63%	67%
BW Energy	5.7x	2.8x	1.7x	4.1x	1.6x	0.5x	-10%	29%	>100%
OKEA	2.8x	2.9x	2.8x	1.3x	2.4x	3.7x	34%	9%	15%

Sensitivities 3/4

Brent, USD/bbl	110								
NBP gas, USD/mmbtu	40								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	4.1x	3.8x	3.6x	1.4x	1.5x	1.2x	36%	26%	26%
Aker BP	5.4x	4.8x	4.8x	1.6x	4.7x	5.2x	32%	0%	-5%
DNO	1.7x	1.4x	1.4x	1.7x	1.4x	1.4x	29%	26%	22%
Noreco	5.2x	1.9x	1.5x	3.1x	1.2x	1.0x	19%	80%	>100%
BW Energy	4.8x	2.4x	1.4x	3.4x	1.2x	0.3x	-7%	43%	>100%
OKEA	2.2x	2.3x	2.2x	1.0x	2.0x	3.1x	52%	14%	20%

Brent, USD/bbl	120								
NBP gas, USD/mmbtu	50								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	3.3x	3.1x	2.9x	0.9x	0.9x	0.6x	48%	32%	33%
Aker BP	4.9x	4.4x	4.4x	1.3x	4.3x	4.8x	34%	0%	-5%
DNO	1.5x	1.2x	1.1x	1.5x	1.2x	1.1x	33%	29%	25%
Noreco	4.2x	1.5x	1.2x	2.6x	1.0x	0.5x	26%	>100%	>100%
BW Energy	4.1x	2.1x	1.2x	3.0x	0.9x	0.1x	-4%	62%	>100%
OKEA	1.9x	1.9x	1.8x	0.8x	1.6x	2.6x	74%	19%	25%

Sensitivities 4/4

Brent, USD/bbl	130								
NBP gas, USD/mmbtu	60								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	2.8x	2.6x	2.4x	0.6x	0.5x	0.2x	59%	38%	39%
Aker BP	4.0x	3.6x	3.6x	0.8x	3.1x	3.6x	42%	1%	-3%
DNO	1.3x	1.0x	0.9x	1.3x	1.0x	0.9x	38%	33%	27%
Noreco	3.5x	1.3x	1.0x	2.2x	0.7x	0.2x	34%	>100%	>100%
BW Energy	3.6x	1.8x	1.1x	2.6x	0.7x	0.0x	0%	88%	>100%
OKEA	1.6x	1.7x	1.6x	0.6x	1.3x	2.1x	104%	26%	31%

Brent, USD/bbl	140								
NBP gas, USD/mmbtu	70								
	P/E			EV/opcf			FCF yield		
Company	2022	2023	2024	2022	2023	2024	2022	2023	2024
Equinor	2.4x	2.2x	2.1x	0.4x	0.2x	-0.1x	70%	44%	45%
Aker BP	3.5x	3.2x	3.2x	0.6x	2.4x	2.8x	46%	2%	-2%
DNO	1.1x	0.8x	0.7x	1.1x	0.8x	0.7x	42%	36%	30%
Noreco	3.0x	1.1x	0.9x	1.8x	0.6x	0.0x	43%	>100%	>100%
BW Energy	3.3x	1.6x	1.0x	2.3x	0.5x	-0.1x	4%	>100%	>100%
OKEA	1.4x	1.5x	1.4x	0.5x	1.0x	1.8x	146%	37%	39%

Appendix 1 – our last sector piece: “Four names that have not got paid (enough) for the energy rally”

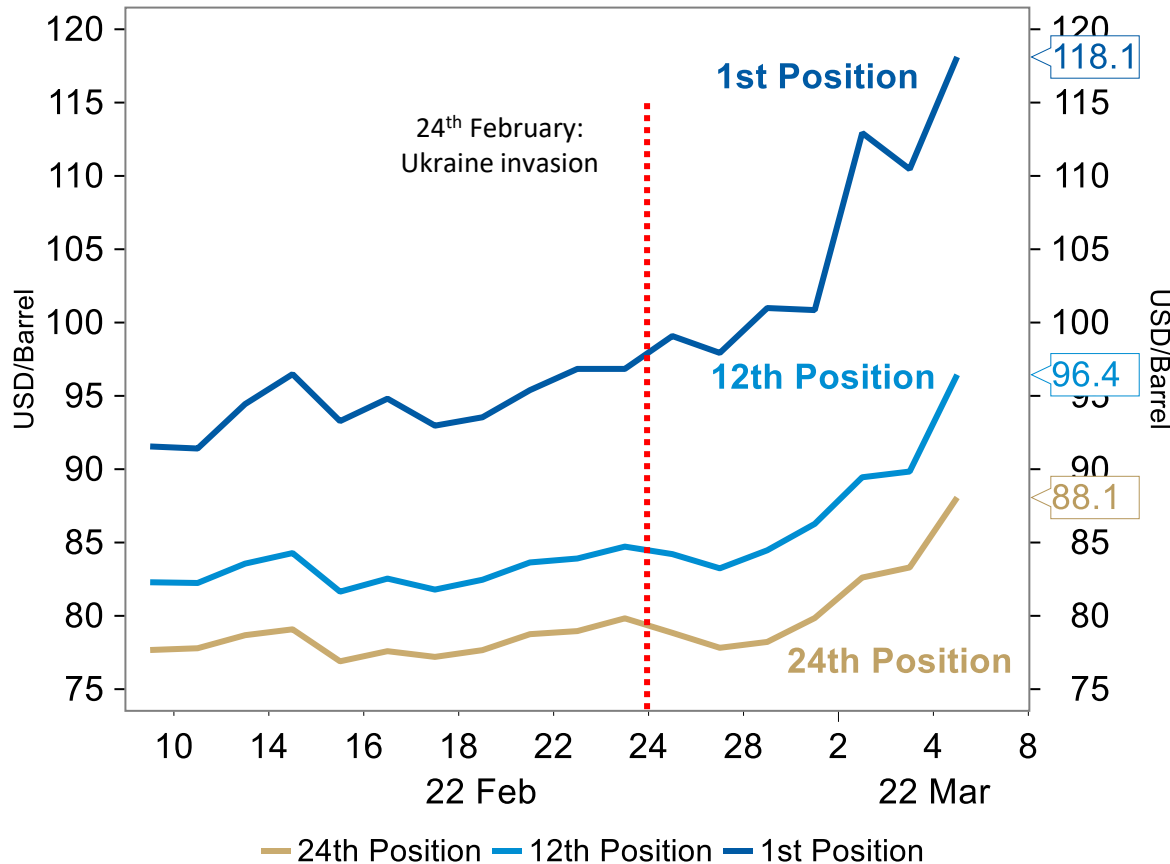
E&P sector: Four names that have not got paid (enough) for the energy rally

Both spot and forward oil and gas prices have rallied since the invasion of Ukraine on 24th February. We have looked into theoretical NAV changes based on the change of the 1-year forward price vs. actual share price changes. The NAV sensitivity vs. oil price is broadly speaking driven by two factors: 1) operational gearing (capex and opex per boe) and 2) financial gearing. On our estimates, Africa Oil, BW Energy, Noreco and Africa Energy have lagged the overall market when we adjusting for oil and gas price sensitivities.

- **Brent spot, 1yr and 2 yr forward prices up USD 21/12/8 per bbl after Ukraine invasion:** Both spot and forward oil and gas prices have been rallied the past weeks, driven by Russia's invasion of Ukraine and increased uncertainty around security of supply. In addition, there has been an accelerated focus on OPEC's lack of spare capacity. Since 24 February, which market the invasion of Ukraine, Brent spot, 1-year and 2-year forward prices are up USD 21/12/8/bbl, respectively. The majority of the increase has been observed the past week.
- **Stoxx 600 O&G index down 4%, OSE energy index and Equinor up 7-8% since 24th February:** Equities and oil prices peaked at around the same day. Since 24 February, the OSE Energy index and Equinor is up 7-8%. As a comparison, the broad Stoxx 600 Oil and Gas index has declined 4% in the same period. The key explanation for that decline has been several majors' announcement of potential huge losses in Russia. An interesting observation is that the VIX index, a commonly used measure for the market uncertainty, has only increased marginally since the invasion on 24 February. However, it raised by around 50% (from index value of 20 to 30) in the two weeks ahead of the invasion. Did the VIX index predict the Ukraine invasion?
- **Attractive opportunities in Africa Oil, BW Energy, Noreco and Africa Energy:** We have looked into theoretical NAV changes vs. actual share price changes since 24th February. The NAV sensitivity vs. oil price is broadly speaking driven by two factors: 1) operational gearing (capex and opex per boe) and 2) financial gearing. The combined effect of these two factors determines the total NAV sensitivity. Our calculations are based on the actual Brent decline of the 12th position (=1-year forward oil price), from USD 84/bbl to USD 96/bbl. If we had used the spot price increase of USD 97/bbl to USD 118/bbl, our fair NAV assessment would have increased more. Further, our calculations include an assessment of the exposure to European gas prices. On our estimates, Africa Oil, BW Energy, Noreco and Africa Energy have lagged the overall market when we adjusting for oil and gas price sensitivities. For Africa Oil, the weak development may be explained by dividend announcement that disappointed the market and maybe somewhat soft 2022 guidance. However, that should be more than offset by the Venus discovery, which potentially could be several billion barrels.
- **A framework for short-term ideas:** Our assessment is based on a quantitative screening of share price changes vs. operational and financial gearing, and it does not consider company specific news flow in the period. We believe our framework may be useful to reveal short-term mispricing relative to peers, but it is not suitable for a long-term assessment of underlying values.

Brent spot, 1yr and 2 yr forward prices up USD 21/12/8 per bbl after Ukraine invasion

Brent spot, 12th and 24th position*



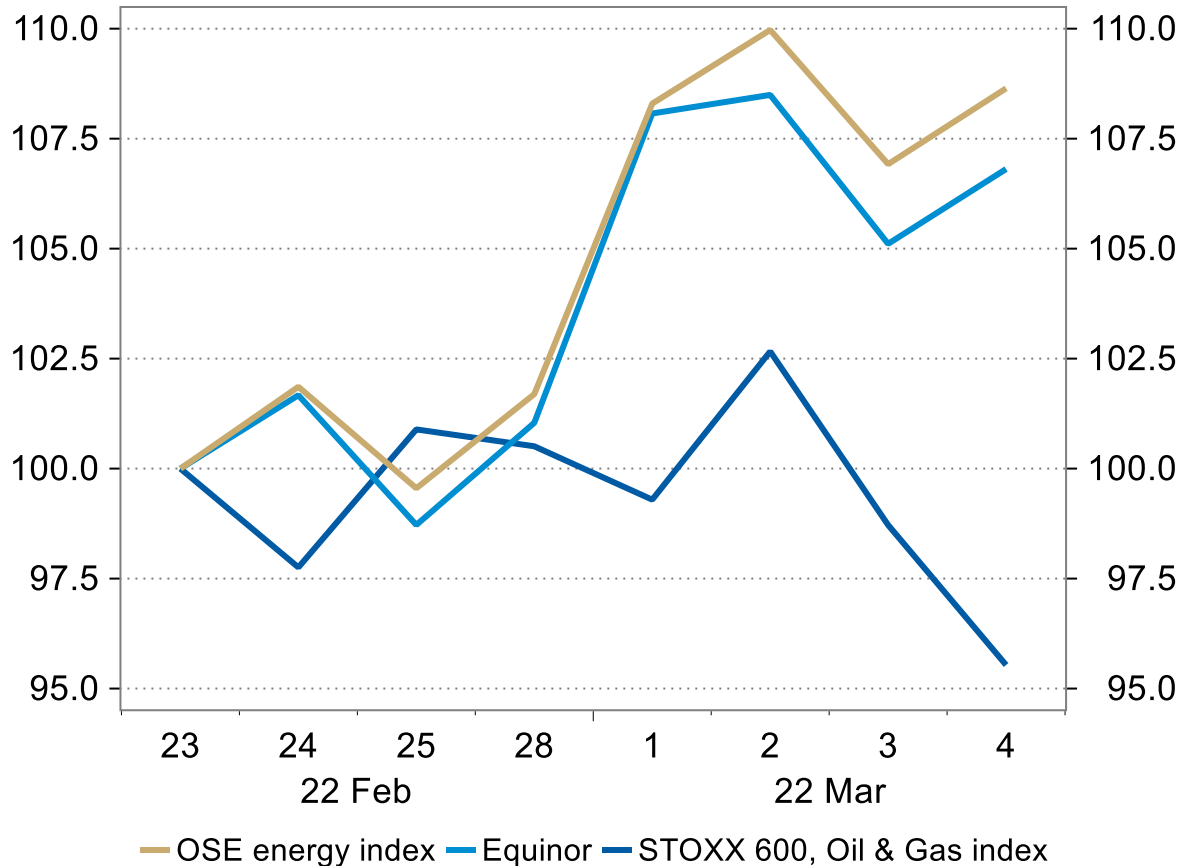
- Both spot and forward oil and gas prices have been rallied the past weeks, driven by Russia's invasion of Ukraine and increased uncertainty around security of supply. In addition, there has been an accelerated focus on OPEC's lack of spare capacity.
- Since 24 February, which marked the invasion of Ukraine, Brent spot, 1-year and 2-year forward prices are up USD 21/12/8/bbl, respectively. The majority of the increase has been observed the past week.

SB1 Markets/Macrobond

* As of 6 March

Stoxx 600 O&G index down 4%, OSE energy index and Equinor up 7-8% since 24th February

Stoxx 600 O&G, Brent and Equinor total return in USD since 24th Feb



- Equities and oil prices peaked at around the same day. Since 24 February, the OSE Energy index and Equinor is up 7-8%.
- As a comparison, the broad Stoxx 600 Oil and Gas index has declined 4% in the same period. The key explanation for that decline has been several majors' announcement of potential huge losses in Russia.

SB1 Markets/Macrobond

Looks like the stock market predicted the Ukraine invasion

VIX index (left) and S&P 500 (right)

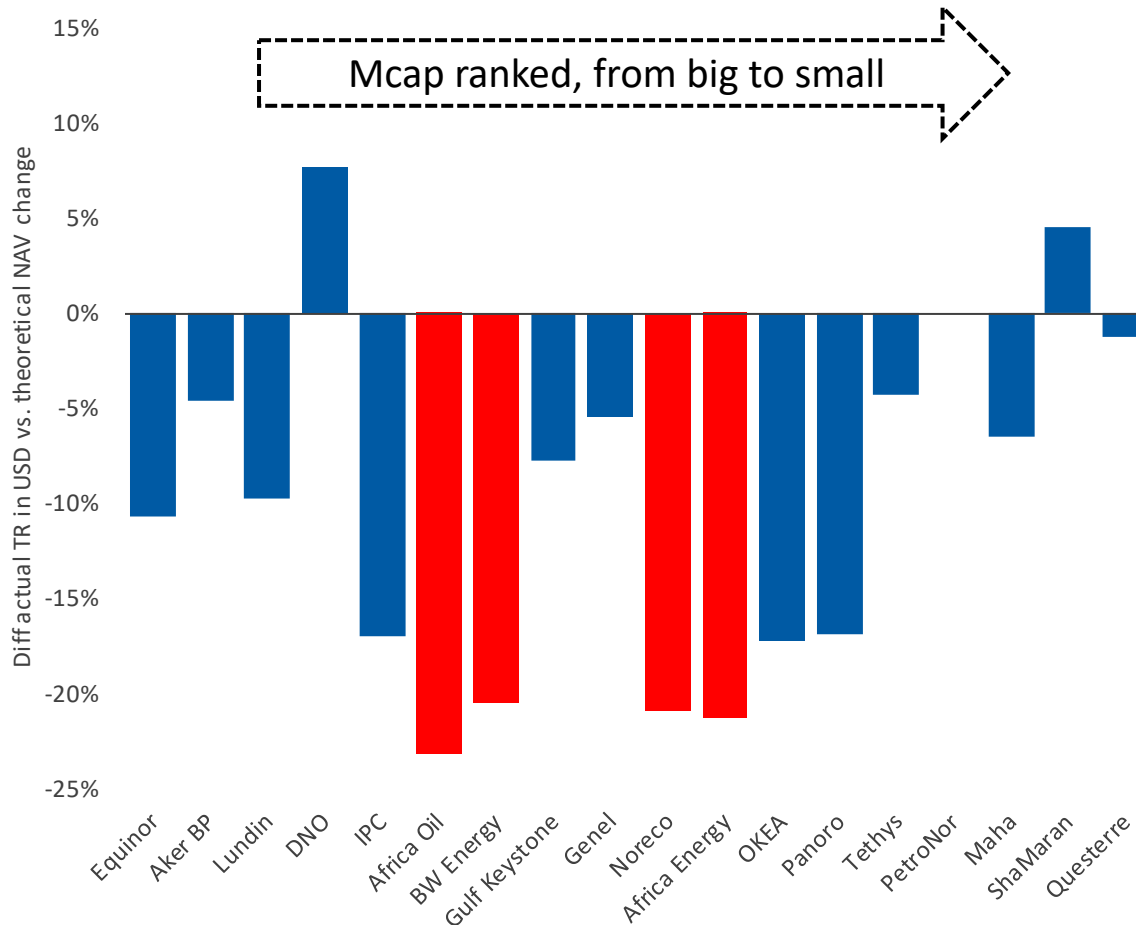


- An interesting observation is that the VIX index, a commonly used measure for the market uncertainty, has only increased marginally since the invasion on 24 February.
- However, it raised by around 50% (from index value of 20 to 30) in the two weeks ahead of the invasion. Did the VIX index predict the Ukraine invasion?

SB1 Markets/Macrobond

Attractive opportunities in Africa Oil, BW Energy, Noreco and Africa Energy

Difference actual total return in USD vs. theoretical NAV change*

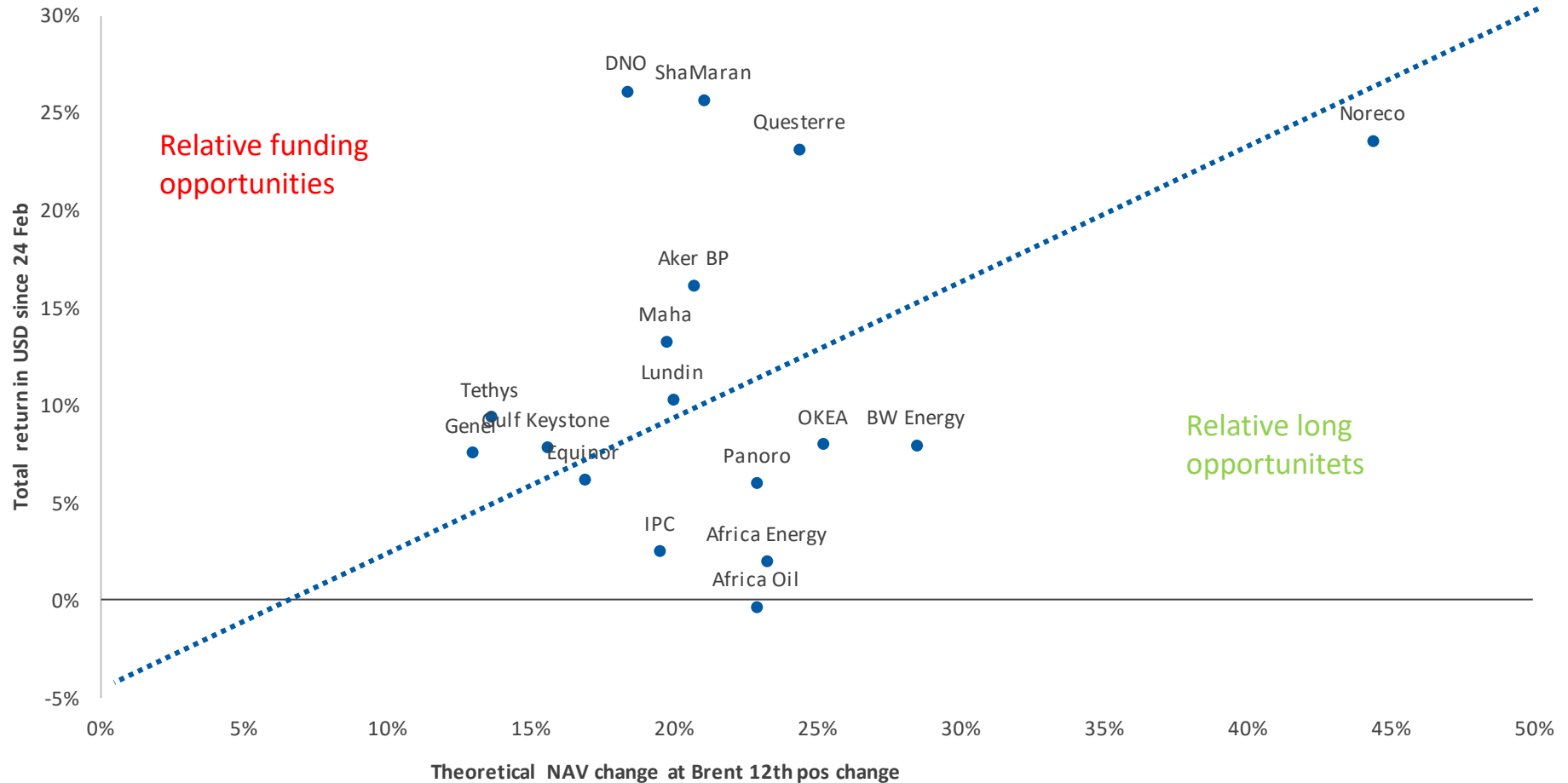


- We have looked into theoretical NAV changes vs. actual share price changes since 24th February.
- The NAV sensitivity vs. oil price is broadly speaking driven by two factors: 1) operational gearing (capex and opex per boe) and 2) financial gearing. The combined effect of these two factors determines the total NAV sensitivity.
- Our calculations are based on the actual Brent decline of the 12th position (=1-year forward oil price), from USD 84/bbl to USD 96/bbl. If we had used the spot price increase of USD 97/bbl to USD 118/bbl, our fair NAV assessment would have increased more. Further, our calculations include an assessment of the exposure to European gas prices.
- On our estimates, Africa Oil, BW Energy, Noreco and Africa Energy have lagged the overall market when we adjusting for oil and gas price sensitivities.
- For Africa Oil, the weak development may be explained by dividend announcement that disappointed the market and maybe somewhat soft 2022 guidance. However, that should be more than offset by the Venus discovery, which potentially could be several billion barrels.

* Key assumptions: Calculations take into account gas portion. Operational gearing derived from last full-year financials, financial gearing defined as net cash (debt) including other liabilities/asset vs. SB1M GAV estimate. Source: Companies, SB1M

In a scatter chart: Theoretical NAV change vs. total return

Theoretical NAV change vs. total return since 26 October

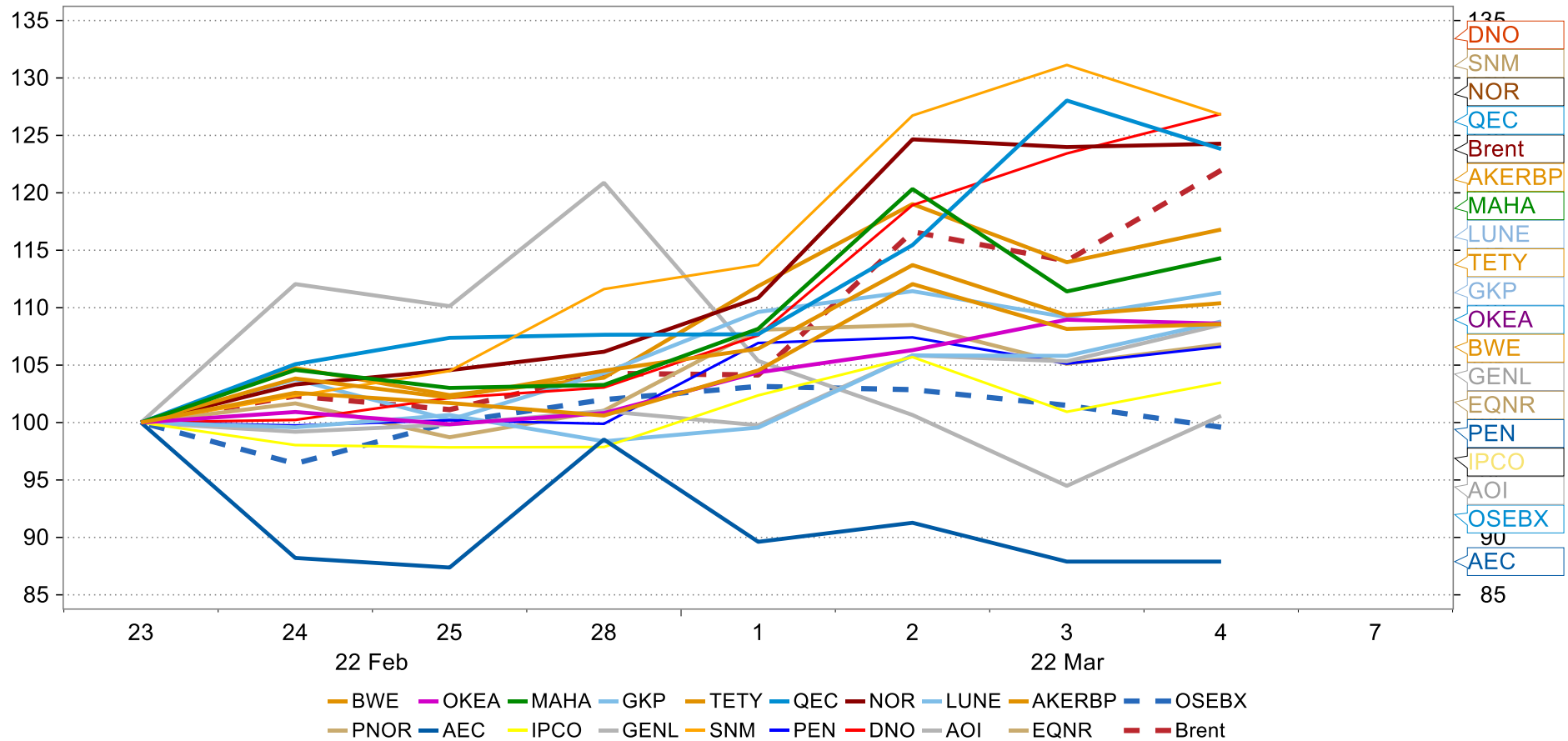


Some more details on estimates and calculations (data from SB1M company models)

Name	Ticker	Total return from 24 Feb 2022	Mcap, USDm	Opex/boe	Pre-tax I-t FCF/bbl at USD 84/bbl	Pre-tax I-t FCF/bbl at USD 96/bbl	Delta ptp FCF vs. USD 84/bbl vs 96/bbl	Financial gearing (net debt to GAV)	Fair NAV change, estimate Brent 12th pos	Total return from 24 Feb 2022	Diff actual TR in USD vs. theoretical NAV change
Equinor	EQNR-NO	6%	78 797	8	60.3	72.3	20%	15%	17%	6%	-11%
Aker BP	AKRBP-NO	16%	11 210	10	63.8	75.8	19%	-10%	21%	16%	-5%
Lundin	LUNE-SE	10%	9 670	5	74.0	86.0	16%	-23%	20%	10%	-10%
DNO	DNO-NO	26%	1 117	6	71.8	83.8	17%	-10%	18%	26%	8%
IPC	IPCO-SE	2%	748	14	55.7	67.7	22%	9%	19%	2%	-17%
Africa Oil	AOI-SE	0%	681	9	67.0	79.0	18%	-28%	23%	0%	-23%
BW Energy	BWE-NO	8%	607	20	44.0	56.0	27%	-4%	28%	8%	-21%
Gulf Keystone	GKP-GB	8%	503	4	76.9	88.9	16%	0%	16%	8%	-8%
Genel	GENL-GB	8%	470	2	79.8	91.8	15%	14%	13%	8%	-5%
Noreco	NOR-NO	24%	400	20	44.0	56.0	27%	-63%	44%	24%	-21%
Africa Energy	AEC-SE	2%	262	15	54.0	66.0	22%	-5%	23%	2%	-21%
OKEA	OKEA-NO	8%	252	12	47.7	59.7	25%	0%	25%	8%	-17%
Panoro	PEN-NO	6%	243	15	54.4	66.4	22%	-4%	23%	6%	-17%
Tethys	TETY-SE	9%	208	12	61.0	73.0	20%	31%	14%	9%	-4%
PetroNor	PNOR-NO	#N/A	164	13	57.5	69.5	21%	19%	17%	#N/A	#N/A
Maha	MAHA.A-SE	13%	145	9	65.6	77.6	18%	-8%	20%	13%	-6%
ShaMaran	SNM-SE	26%	103	8	69.0	81.0	17%	-21%	21%	26%	5%
Questerre	QEC-NO	23%	52	17	57.9	69.9	21%	-18%	24%	23%	-1%

Wide range of performance since 24 February (=Ukraine invasion)

E&P coverage universe since 26 October (total return in USD)



Appendix 2: Key estimates and SOTP per company*

* as of last sector report

SOTP valuation and financial summary

SOTP

Asset	Country, basin	Licence	Stake Operator	Net mboe	USD/boe	Unrisked USDm	Unrisked SEK/sh	Prob.	SEK/ share
Discoveries									
Brulpadda 1-AX	South Africa, Outeniqua	11B/12B	10 % Total	75	3.4	259	1.5	80 %	1.19
Luiperd	South Africa, Outeniqua	11B/12B	10 % Total	100	3.4	345	2.0	80 %	1.59
Sum discoveries									2.79
Firm exploration									
Gazania-1	South Africa, Orange	2B	28 % Azinam	96	2.0	192	1.1	20 %	0.22
Platanna	South Africa, Outeniqua	11B/12B	10 % Total	50	3.4	171	1.0	40 %	0.40
Woudboom	South Africa, Outeniqua	11B/12B	10 % Total	50	3.4	172	1.0	40 %	0.40
Blaasop	South Africa, Outeniqua	11B/12B	10 % Total	50	3.4	172	1.0	40 %	0.40
Kloofpadda	South Africa, Outeniqua	11B/12B	10 % Total	75	3.4	259	1.5	30 %	0.45
Other exploration									
PEL 37	Namibia, Walvis	PEL 37	10 % Tullow	79	2.1	163	0.9	20 %	0.19
Rest of 11B/12B	South Africa, Outeniqua	11B/12B	10 % Total	220	2.5	545	3.2	20 %	0.63
Rest of 2B	South Africa, Orange	2B	28 % Azinam	72	2.5	179	1.0	20 %	0.21
Sum exploration				692	2.7	1 854	10.7	27 %	2.89
Overhead						-45	-0.3	100 %	-0.26
Gross asset value						2 067	11.9		5.41
Net cash (debt)						9	0.1		0.05
Net asset value						1 818	10.5		5.47

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 11B/12B gas price of 6.5/mmbtu, 12% WACC, other prospective resources assumed drilled in 10 years

Annual financials

P&L, USDm	2018	2019	2020	2021e	2022e	2023e
Total revenues	0	0	0	0	0	0
EBITDA	-5	-5	-4	-5	-6	-6
EBITDA margin	nm	nm	nm	nm	nm	nm
EBIT	-14	-5	-4	-5	-6	-6
Pretax profit	-13	-4	-4	-5	-6	-6
Net income	-13	-4	-4	-5	-6	-6
EPS	-0.02	-0.01	-0.01	0.00	0.00	0.00
Recurring EPS	-0.01	-0.01	-0.01	0.00	0.00	0.00

Condensed balance sheet, USDm	2018	2019	2020	2021e	2022e	2023e
Total fixed assets	41	39	224	230	238	246
Cash and equivalents	3	2	20	9	-5	-19
Other current assets	0	0	0	0	0	0
Total Assets	44	42	244	240	234	227
Total equity	44	41	242	237	231	225
Total non current liabilities	0	0	0	0	0	0
Total current liabilities	0	0	2	2	2	2
Total equity and liabilities	44	42	244	240	234	227

Net cash (debt)	3	2	20	9	-5	-19
Gross i.b. debt (long+short term)	0	0	0	0	0	0

Condensed cash flow, USDm	2018	2019	2020	2021e	2022e	2023e
Cash flow from operations	-4	-3	-3	-5	-6	-6
Cash flow from investments	-40	2	-32	-5	-8	-8
Cash flow from financing (incl FX)	44	0	53	0	0	0
Change in cash	0	-1	17	-10	-14	-14

SOTP valuation and financial summary

SOTP									Annual financials							
Asset	Country, basin	Licence	Stake (post gvt farm-in)	Operator	Net mboe	USD/boe	Unrisked USDm	Prob.	SEK/ share	P&L, USDm	2018	2019	2020	2021e	2022e	2023e
Production (subject to deal close)																
OML 127 (Agbami)	Nigeria	OML 127	4 % Chevron		25	11.6	289	100 %	5.2	Total revenues	0	0	240	229	303	220
OML 130 (Egina and Akpo)	Nigeria	OML 130	8 % Total		40	22.4	900	100 %	16.3	EBITDA	-13	-11	226	212	290	206
Sum production					65	18.3	1 189	100 %	21.5	<i>EBITDA margin</i>	<i>na</i>	<i>na</i>	94 %	92 %	96 %	94 %
Discoveries																
Preowei	Nigeria	OML 130	8 % Total		12	11.2	134	30 %	0.7	EBIT	-63	-151	11	212	290	206
Ngamia	Kenya, Lokichar	10BB	20 % Tullow		46	2.0	93	30 %	0.5	Pretax profit	-67	-157	-18	192	273	190
Twiga	Kenya, Lokichar	13T	20 % Tullow		7	2.0	13	30 %	0.1	Net income	-67	-157	-18	192	273	190
Etuko	Kenya, Lokichar	10BB	20 % Tullow		3	2.0	6	5 %	0.0	EPS	-0.15	-0.33	-0.04	0.41	0.58	0.40
Ekales	Kenya, Lokichar	13T	20 % Tullow		7	2.0	15	30 %	0.1	Recurring EPS	-0.01	-0.01	0.62	0.41	0.57	0.40
Agete	Kenya, Lokichar	13T	20 % Tullow		4	2.0	9	30 %	0.0	Condensed balance sheet, USDm						
Amosing	Kenya, Lokichar	10BB	20 % Tullow		20	2.0	40	30 %	0.2	Total fixed assets	582	479	869	937	1 132	1 212
Ewoi	Kenya, Lokichar	10BB	20 % Tullow		2	2.0	4	5 %	0.0	Cash and equivalents	370	330	40	190	253	268
Etorn	Kenya, Lokichar	10BB	20 % Tullow		10	2.0	19	30 %	0.1	Other current assets	2	4	1	5	5	5
Erut	Kenya, Lokichar	10BB	20 % Tullow		2	2.0	4	5 %	0.0	Total Assets	954	812	910	1 132	1 389	1 484
Sum discoveries					113	3.0	338	28 %	1.8	Total equity	922	767	754	943	1 152	1 281
Sum exploration					470	1.5	875	5 %	1.0	Total non current liabilities	0	3	144	181	228	195
Financial assets																
Africa Energy (listed), 20%							66	100 %	1.2	Total current liabilities	31	43	13	8	8	8
ECO (listed), 18%							13	100 %	0.2	Total equity and liabilities	954	813	910	1 132	1 389	1 484
Imact Oil and Gas (private), 31%							68	100 %	1.2	Net cash (debt)	370	330	-101	43	59	107
Other																
Overhead							-50	100 %	-0.9	Gross interest bearing debt (long+short t	0	0	141	147	194	161
Kenya Revenue Authority tax claim							-52	50 %	-0.5	Condensed cash flow, USDm						
NPV deferred payment POGBV							-75	80 %	-1.1	Cash flow from operations	-2	-5	-5	-13	-13	-13
Net debt Prime (ex-POGBV), end 2021, off balance sheet							-214	100 %	-3.9	Cash flow from investments	-19	-35	-394	176	109	140
Gross asset value									20.6	<i>...of which Prime dividend received</i>	0	0	200	200	184	210
Net cash (debt)									0.8	Cash flow from financing (incl FX)	-1	-1	111	-13	-33	-111
Net asset value									21.4	Change in cash	-22	-41	-289	150	63	15

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024. 12% WACC.

SOTP valuation and financial summary

SOTP								
Asset	Licence	Operator	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked NOKm
Production								
Alvheim	PL 088BS/203/036C	Aker BP	65 %	51	18.5	953	100 %	8 293
Volund	PL 150	Aker BP	65 %	3	20.0	56	100 %	489
Vilje	PL 036D	Aker BP	47 %	4	8.7	34	100 %	295
Skogul	PL 460	Aker BP	65 %	4	14.8	59	100 %	515
Boyla (incl Frosk)	PL 340	Aker BP	65 %	3	14.5	41	100 %	355
Vaihall/Hod	PL 006B/033/033B	Aker BP	90 %	274	9.8	2 685	100 %	23 359
Skarv, incl Ærfugl	PL 262/159/212B/212	Aker BP	24 %	94	9.0	849	100 %	7 385
Ula/Tambar	PL 019/019B/065	Aker BP	80 %	20	13.2	261	100 %	2 269
Oda	PL 405	Spirit Energy	15 %	7	4.2	27	100 %	238
Sverdrup	PL 265/501/501B/502	Equinor	11.6 %	313	12.0	3 740	100 %	32 535
Ivar Aasen, incl Hanz	PL 001B/242/338BS/457BS	Aker BP	35 %	52	9.7	509	100 %	4 425
Sum production				824	11.2	9 213	100 %	80 157
Discoveries								
Sverdrup upside (70% rec.rate)	PL 265/501/501B/502	Equinor	11.6 %	52	12.0	623	100 %	5 423
Vaihall upside	PL 006B/033/033B	Aker BP	90 %	270	4.0	1 080	60 %	5 638
NOAKA	PL 026/035/272/364/442	Equinor	48-88%	358	4.2	1 511	80 %	10 515
Garantiana	PL 554	Total	30 %	20	2.9	56	50 %	243
Gotha	PL 492	Lundin	60 %	51	1.8	93	30 %	242
King Lear	PL 146/333	Aker BP	78 %	54	6.2	340	50 %	1 479
Froskelår main	PL 869	Aker BP	60 %	40	5.0	200	75 %	1 302
Froskelår NE	PL 869	Aker BP	60 %	4	5.0	18	75 %	117
Ørn (Skarv area)	PL 942	Equinor	30 %	21	5.0	104	70 %	630
Shrek (Skarv area)	PL 838	PGNIG	35 %	10	1.5	15	50 %	65
Gråsel (Skarv area)	PL 262/159/212B/212	Aker BP	24 %	3	5	15	75 %	101
Alve North	PL 127C	Aker BP	88 %	9	1.5	13	50 %	57
Alve NE / Cape Vulture	PL 127C	Aker BP	88 %	11	1.5	17	50 %	75
Filicudi	PL 533	Lundin	35 %	24	1.8	43	50 %	187
Sum discoveries				926	4.5	4 128	68 %	26 074
Sum exploration								
				623	1.5	927	23 %	1 831
Overhead						-368		-3 200
Other, incl. Cognitive								7 130
Gross asset value								111 992
Net cash (debt)								-12 151
Net asset value								99 841

Annual financials						
P&L, USDm	2019	2020	2021e	2022e	2023e	2024e
Total revenues	3 347	2 979	5 637	7 237	6 233	5 506
EBITDA	2 286	2 128	4 505	6 269	5 422	4 691
<i>EBITDA margin</i>	68%	71%	80%	87%	87%	85%
EBIT	1 327	433	3 251	5 232	4 329	3 627
Pretax profit	1 084	163	3 021	5 151	4 254	3 570
Net income	141	44	839	1 540	1 258	1 059
EPS	0.39	0.12	2.33	4.28	3.50	2.94
Rec. EPS	0.93	1.11	2.54	4.28	3.50	2.94
DPS	2.08	1.18	1.35	1.90	1.94	2.22
Balance sheet, USDm						
	2019	2020	2021e	2022e	2023e	2024e
Total fixed assets	11 508	11 162	11 494	11 825	11 751	12 225
Cash and equivalents	107	538	2 198	3 971	4 608	4 055
Other current assets	611	720	842	842	842	842
Total Assets	12 227	12 420	14 534	16 638	17 201	17 121
Total equity	2 368	1 987	2 368	3 245	3 808	4 092
Total non current liabilities	8 144	9 393	10 184	11 411	11 412	11 048
Total current liabilities	1 715	1 040	1 981	1 981	1 981	1 981
Total equity and liabilities	12 227	12 420	14 534	16 638	17 201	17 121
Net cash (debt)	-3 180	-3 431	-1 397	376	1 013	960
Gross interest bearing debt (long+s)	3 287	3 969	3 595	3 595	3 595	3 095
Condensed cash flow, USDm						
	2019	2020	2021e	2022e	2023e	2024e
Cash flow from operations	1 885	1 856	4 361	3 546	2 522	2 259
Cash flow from investments	-2 178	-1 500	-1 645	-1 111	-1 189	-1 538
Cash flow from financing (incl FX)	355	74	-1 054	-663	-696	-1 275
<i>...of which equity</i>	-750	-425	-449	-663	-696	-775
<i>...of which debt</i>	1 245	658	-384	0	0	-500
Change in cash	62	430	1662	1773	637	-553
Cash opening balance	45	107	538	2 198	3 971	4 608
Cash closing balance	107	538	2 198	3 971	4 608	4 055

SOTP valuation and financial summary

SOTP

Asset	Licence	Operator	Country	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked, NOK/sh
Production									
Tortue	Dussafu EEA	BW Energy	Gabon	73.5%	25	20.7	509	100 %	18.5
Discoveries									
Ruche + Ruche NE	Dussafu EEA	BW Energy	Gabon	73.5%	39	15.0	581	70 %	14.8
Walt Withman	Dussafu EEA	BW Energy	Gabon	73.5%	6	5.4	32	20 %	0.2
Moubenga	Dussafu EEA	BW Energy	Gabon	73.5%	4	5.4	24	20 %	0.2
Hibiscus	Dussafu EEA	BW Energy	Gabon	73.5%	34	8.6	291	70 %	7.4
Hibiscus North	Dussafu EEA	BW Energy	Gabon	73.5%	6	8.6	47	70 %	1.2
Maromba	Maromba	BW Energy	Brazil	95.0%	101	3.2	325	30 %	3.5
Kudu	Kudu	BW Energy	Namibia	95.0%	183	1.0	183	20 %	1.3
Sum discoveries					373	4.0	1 483	33 %	28.6
Exploration									
Bourdon (Prospect B)	Dussafu EEA	BW Energy	Gabon	73.5%	37	2.0	74	20 %	0.5
Walt Whitman NW	Dussafu EEA	BW Energy	Gabon	73.5%	5	2.0	10	10 %	0.0
WW / String of Pearls	Dussafu EEA	BW Energy	Gabon	73.5%	12	2.0	24	10 %	0.1
Prospect 18	Dussafu EEA	BW Energy	Gabon	73.5%	11	2.0	22	10 %	0.1
Prospect A	Dussafu EEA	BW Energy	Gabon	73.5%	29	2.0	57	10 %	0.2
Tortue SE	Dussafu EEA	BW Energy	Gabon	73.5%	12	2.0	25	10 %	0.1
Hibiscus South	Dussafu EEA	BW Energy	Gabon	73.5%	10	2.0	21	20 %	0.1
Espadon	Dussafu EEA	BW Energy	Gabon	73.5%	5	2.0	10	10 %	0.0
Moubenga Uphrown	Dussafu EEA	BW Energy	Gabon	73.5%	13	2.0	26	10 %	0.1
Prospect 19	Dussafu EEA	BW Energy	Gabon	73.5%	12	2.0	25	10 %	0.1
Prospect 4	Dussafu EEA	BW Energy	Gabon	73.5%	10	2.0	19	10 %	0.1
No name	G12-13/H12-13)	BW Energy	Gabon	37.5%	8	2.0	15	10 %	0.1
Sum exploration					164	2.0	328	13 %	1.5
Overhead and other							-100	100 %	-3.6
Gross asset value							2 220		45.0
Net cash (debt)							150	100 %	5.4
Net asset value							2 370		50.4

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024. 12% WACC

Annual financials

P&L, USDm	2020	2021e	2022e	2023e	2024e
Total revenues	160	273	416	581	838
EBITDA	87	161	306	406	555
<i>EBITDA margin</i>	54 %	59 %	74 %	70 %	66 %
EBIT	3	104	228	297	384
Pretax profit	-11	98	229	297	385
Net income	-40	49	137	176	218
EPS	-0.2	0.2	0.5	0.6	0.8
Rec. EPS	-0.1	0.2	0.5	0.6	0.8
Dividend	0.0	0.0	0.0	0.0	0.4
Balance sheet, USDm					
	2020	2021e	2022e	2023e	2024e
Total fixed assets	579	705	897	996	941
Cash and equivalents	121	145	78	139	289
Other current assets	63	66	66	66	66
Total Assets	762	915	1 040	1 200	1 297
Total equity	443	566	702	878	987
Total non current liabilities	251	240	229	213	200
Total current liabilities	69	109	109	109	109
Total equity and liabilities	763	915	1 040	1 200	1 297
Net cash (debt)	121	145	78	139	289
Gross i.b. bearing debt (long+short)	0	0	0	0	0
Condensed cash flow, USDm					
	2020	2021e	2022e	2023e	2024e
Cash flow from operations	50	147	203	269	376
Cash flow from investments	-74	-173	-270	-208	-116
Cash flow from financing (incl FX)	64	50	0	0	-109
Change in cash	40	24	-67	61	150

SOTP valuation and financial summary

SOTP

Asset	License	Operator	Country	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked NOKm	Risked NOK/share
Production										
Tawke / Peshkabir	Tawke	DNO	Iraq	75 %	230	6.1	1 402	100 %	11 920	12.22
Tambar / Tambar East	PL 019/065	Aker BP	Norway	45% / 38%	2	19.1	42	100 %	356	0.36
Ula	PL 019	Aker BP	Norway	20 %	5	8.8	47	100 %	401	0.41
Brage	PL 53B/55/185	Wintershall	Norway	14 %	2	14.7	31	100 %	259	0.27
Ringhore Øst	PL 027/169E	Equinor	Norway	22.6 %	2	15.4	38	100 %	326	0.33
Vilje	PL 036D	Aker BP	Norway	28.9 %	0	10.0	4	100 %	35	0.04
Marulk	PL 122	Vår	Norway	17.0 %	0	15.3	6	100 %	53	0.05
Alve	PL 159B	Equinor	Norway	32.0 %	0	28.5	6	100 %	51	0.05
Oda (ex Butch)	PL 405	Spirit Energy	Norway	15 %	3	18.1	47	100 %	396	0.41
Trym	PL 147	DNO	Norway	50 %	2	8.4	17	100 %	149	0.15
Blane	P 111	Repsol	UK	44.5 %	1	7.0	7	100 %	59	0.06
Sum production					248	6.6	1 648	100 %	14 005	14.36
Discoveries										
Tawke / Peshkabir upside	Tawke	DNO	Iraq	75 %	45	3.1	137	50 %	584	0.60
Baeshiqia	Baeshiqia	DNO	Iraq	68 %	100	3.1	305	50 %	1 298	1.33
Brasse	PL 740	DNO	Norway	50 %	17	2.7	48	30 %	122	0.13
Hades / Iris	PL 644	OMV	Norway	20 %	34	4.0	136	50 %	577	0.59
Fenja	PL 586	Neptune	Norway	8 %	3	4.1	12	50 %	50	0.05
Plantain	P 1763	Azinor	UK	25 %	8	5.0	41	50 %	173	0.18
Fogelberg	PL 433	Spirit	Norway	15 %	6	1.0	6	30 %	16	0.02
Syrah	PL 248F	Wintershall	Norway	20 %	3	4.0	12	20 %	20	0.02
Orion	PL 248F	Wintershall	Norway	20 %	3	4.0	12	20 %	20	0.02
Tusse	PL 248F	Wintershall	Norway	20 %	3	4.0	12	20 %	20	0.02
Snadd Outer	PL 159B	Equinor	Norway	32 %	10	4.0	40	50 %	169	0.17
Rover Nord	PL 923	Equinor	Norway	20 %	12	4.0	46	70 %	274	0.28
Mugnetind	-	-	Norway	30 %	9	2.0	18	20 %	31	0.03
Bergknapp	PL 836S	Wintershall	Norway	30 %	29	4.0	116	70 %	687	0.70
Sum discoveries					282	3.3	941	49 %	4 042	4.14
Sum exploration					228	2.0	455	9 %	340	0.35
Investments							10		82	0.08
Tawke override (3% of gross revenue)							19		158	0.16
Overhead							-120		-1 020	-1.05
Gross asset value							2 952		17 608	18.05
Net cash (debt)							-172		-1 462	-1.50
Net asset value									16 145	16.55

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024

Annual financials

P&L, USDm	2018	2019	2020	2021e	2022e	2023e
Total revenues	829	971	615	939	981	822
EBITDA	639	549	322	615	737	584
<i>EBITDA margin</i>	<i>77 %</i>	<i>57 %</i>	<i>52 %</i>	<i>65 %</i>	<i>75 %</i>	<i>71 %</i>
EBIT	377	75	-315	359	551	405
Pretax profit	323	-48	-426	264	482	343
Net income	355	73	-286	293	423	312
EPS	0.33	0.07	-0.29	0.30	0.43	0.32
Rec EPS	0.16	0.22	-0.11	0.36	0.43	0.32
DPS	0.00	0.04	0.00	0.02	0.06	0.10

Balance sheet, USDm	2018	2019	2020	2021e	2022e	2023e
Total fixed assets	1 029	2 115	1 887	1 760	1 889	2 025
Cash and equivalents	729	486	477	757	1 109	1 082
Other current assets	246	672	345	595	526	526
Total Assets	2 004	3 272	2 709	3 112	3 524	3 632
Total equity	1 218	1 161	846	1 112	1 473	1 691
Total non current liabilities	644	1 488	1 567	1 584	1 643	1 539
Total current liabilities	143	623	296	415	407	402
Total equity and liabilities	2 004	3 272	2 709	3 112	3 524	3 632

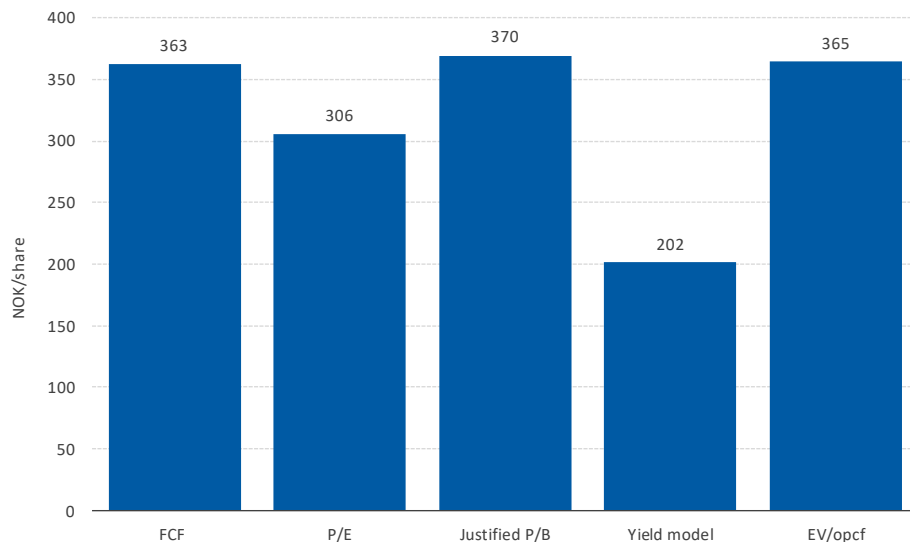
Net cash (debt)	163	-411	-394	-64	219	330
Gross i. b. (long+short term)	594	1 062	934	929	929	790

Condensed cash flow, USDm	2018	2019	2020	2021e	2022e	2023e
Cash flow from operations	472	371	359	695	730	518
Cash flow from investments	-340	-822	-239	-367	-315	-314
Cash flow from financing (incl FX)	167	208	-159	-48	-62	-232
Change in cash	299	-243	-39	281	353	-28

Key assumptions & valuation	2018	2019	2020	2021e	2022e	2023e
Wl oil production, boe/day	81 678	101 696	95 603	93 624	84 300	84 300
Brent price, USD/boe	72	64	43	70	86	78
Production cost, USD/boe	3.0	6.2	6.5	5.4	5.0	5.0
D&A per boe (USD)	8.7	8.4	10.3	5.9	6.1	6.1

Valuation approaches and financial summary

SOTP



Annual financials

P&L, USDm	2019	2020	2021e	2022e	2023e	2024e
Total revenues	64 357	45 818	92 195	110 970	86 630	84 149
EBITDA	22 504	11 811	43 488	55 373	39 161	36 989
<i>EBITDA margin</i>	35 %	26 %	47 %	50 %	45 %	44 %
EBIT	9 299	-3 425	33 873	45 364	29 038	26 241
Adjusted EBIT	13 483	3 937	33 669	45 364	29 038	26 241
Pretax profit	9 293	-4 262	31 980	44 386	28 090	25 300
Net income	1 852	-5 500	8 471	13 737	8 669	7 420
EPS	0.56	-1.69	2.61	4.31	2.74	2.35
Recurring EPS	1.48	0.28	2.77	4.31	2.74	2.35
DPS	1.05	0.41	0.73	1.08	1.29	1.32

Condensed balance sheet, USDm	2019	2020	2021e	2022e	2023e	2024e
Total fixed assets	93 286	89 786	85 806	85 797	86 163	88 415
Cash and equivalents	5 177	6 757	20 486	38 107	41 716	42 772
Other current assets	19 600	25 429	29 855	21 897	21 897	21 897
Total Assets	118 063	121 972	136 147	145 801	149 776	153 083
Total equity	41 159	33 892	39 428	48 812	52 602	55 858
Total non current liabilities	57 346	68 261	69 467	69 467	69 467	69 467
Total current liabilities	19 557	19 502	27 252	27 522	27 707	27 759
Total equity and liabilities	118 062	121 973	136 147	145 801	149 776	153 083

Net cash (debt)	-13 165	-14 259	5 263	22 884	26 493	27 549
Gross interest bearing debt (long+short term)	25 768	32 881	30 255	30 255	30 255	30 255

Condensed cash flow, USDm	2019	2020	2021e	2022e	2023e	2024e
Cash flow from operations	13 749	10 386	30 265	31 974	18 977	18 219
Cash flow from investments	-10 594	-12 093	-10 065	-10 000	-10 489	-13 000
Cash flow from financing (incl FX)	-5 534	3 286	-6 499	-4 353	-4 879	-4 164
Change in cash	-2 379	1 579	13 701	17 621	3 609	1 055

Key assumptions	2019	2020	2021e	2022e	2023e	2024e
Average Brent price, USD/boe	64	43	71	86	78	70
Average NBP gas price, USD/mmbtu	4.84	3.32	16.21	20.75	10.75	10.00
Gas price Eur., realised (USD/mmbtu)	5.72	3.52	13.73	18.79	10.21	9.50
North America, realised (NOK/scm)	2.43	1.71	2.95	3.63	3.72	3.82
Liquids Norway	535	630	648	720	777	887
Gas Norway	700	685	716	792	772	749
Liquids Int	354	304	297	312	303	327
Gas Int	62	49	51	43	43	53
Liquids USA	210	187	140	116	103	92
Gas USA	213	216	239	185	179	174
Total equity production	2 075	2 070	2 090	2 167	2 177	2 281
PSA/royalties	164	133	143	113	109	113

SOTP valuation and financial summary

SOTP									
Asset	Country	Operator	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked GBPm	Risked GBP/share
Production									
Taq Taq	Iraq	Genel	44 %	10	5.0	51	100 %	38	13.5
Sarta	Iraq	Chevron	30 %	75	4.4	325	100 %	237	85.3
Tawke/Peshkabir	Iraq	DNO	25 %	94	5.7	535	100 %	390	140.2
Sum production				179 ▲	5.1	912 ▲	100 %	665	239.0
Discoveries									
Tawke / Peshkabir upside	Iraq	DNO	25 %	15	2.8	43	50 %	16	5.6
Sarta upside	Iraq	Chevron	30 %	4	3.4	15	50 %	5	1.9
Qara Dagh	Iraq	Chevron	40 %	19	2.0	38	30 %	8	3.0
Sum discoveries				38 ▲	2.5	95 ▲	40 %	29	10.5
Exploration									
Qara Dagh	Iraq	Genel	40 %	234	1.0	234	5 %	9	3.1
Sarta	Iraq	Genel	30 %	99	1.0	99	5 %	4	1.3
Somaliland		Somaliland Genel	51 %	102	1.0	102	5 %	4	1.3
Lagzira Block		Morocco	75 %	10	1.0	10	5 %	0	0.1
Sum exploration				445 ▲	1.0	445 ▲	5 %	16	5.8
Overhead						-65	100 %	-47	-17.0
Tawke override (4.5% of gross revenue)						35	100 %	26	9.3
Gross asset value						1 422		689 ▲	247.6
Net cash (debt)						52		38	13.8
Net asset value						1 475		728	261.3

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 12% WACC

Annual financials

P&L, USDm	2017	2018	2019	2020	2021e	2022e	2023e
Total revenues	229	355	377	160	337	401	305
EBITDA	472	304	319	112	275	324	224
EBITDA margin	206 %	86 %	85 %	70 %	82 %	81 %	74 %
EBIT	298	-255	132	-365	138	189	83
Pretax profit	272	-283	105	-417	109	163	65
Net income	271	-284	104	-417	108	161	64
EPS	0.97	-1.02	0.37	-1.51	0.39	0.59	0.23
Rec. EPS	-0.01	0.51	0.49	-0.26	0.40	0.59	0.23
DPS	0.00	0.10	0.10	0.15	0.23	0.20	0.19
Balance Sheet, USDm							
Total fixed assets	1 848	1 384	1 413	1 147	1 109	1 132	1 097
Cash and equivalents	162	334	391	355	321	341	363
Other current assets	97	109	160	49	96	96	96
Total Assets	2 107	1 828	1 964	1 551	1 526	1 569	1 556
Total equity	1 610	1 331	1 386	930	1 012	1 173	1 237
Total non current liabilities	433	439	481	434	414	296	218
Total current liabilities	64	58	97	188	101	101	101
Total equity and liabilities	2 107	1 828	1 964	1 551	1 526	1 569	1 556
Net cash (debt)	-135	37	93	6	52	150	171
Gross i.b. debt (long+short term)	297	297	298	349	269	192	192
Cash flow, USDm							
Cash flow from operations	221	299	273	129	243	322	224
Cash flow from investments	-78	-97	-143	-107	-115	-157	-107
Cash flow from financing (incl FX)	-388	-30	-73	-59	-161	-144	-96
Change in cash	-245	172	57	-36	-34	20	21
Cash CB	162	335	391	355	321	341	363
Key assumptions							
Production, boe/day	35 200	33 700	36 250	31 980	31 530	36 938	38 625
Brent oil price, USD/boe	55	72	64	43	71	86	78
Revenue per boe, USD	18	29	29	14	25	25	22
Production cost WI volumes, USD/boe	2.1	2.3	2.8	2.8	3.8	4.1	4.2

SOTP valuation and financial summary

SOTP

Field / asset	Country	Operator	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked GBPm	Risked GBP/share
Production									
Shaikan 2P	Iraq	Gulf Keystone	80 %	357	2.9	1 028	100 %	761	332
Sum production				357	2.9	1 028	100 %	761	332
Discoveries									
Shaikan 2C	Iraq	Gulf Keystone	80 %	191	1.7	331	30 %	73	32
Sum discoveries				191	1.7	331	30 %	73	32
Overhead						-150	100 %	-111	-48
Gross asset value						1 208		723	315
Net cash (debt)						77		57	25
Net asset value						1 285		780	340

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 12% WACC

Annual financials

P&L, USDm	2018	2019	2020	2021e	2022e	2023e
Total revenues	251	207	108	222	432	420
EBITDA	149	122	56	132	318	302
<i>EBITDA margin</i>	<i>59 %</i>	<i>59 %</i>	<i>52 %</i>	<i>60 %</i>	<i>74 %</i>	<i>72 %</i>
EBIT	78	49	-33	59	210	174
Pretax profit	80	43	-47	48	200	165
Net income	80	44	-47	48	200	165
EPS	0.35	0.19	-0.22	0.23	0.94	0.78
Rec. EPS	0.30	0.18	-0.23	0.20	0.94	0.78
DPS	0.22	0.22	0.12	0.71	0.47	0.54

Balance Sheet, USDm	2018	2019	2020	2021e	2022e	2023e
Total fixed assets	381	408	435	382	434	466
Cash and equivalents	296	191	148	176	254	171
Other current assets	82	134	75	139	210	325
Total Assets	759	733	659	698	897	962
Total equity	553	519	454	453	653	818
Total non current liabilities	120	130	135	138	138	38
Total current liabilities	86	84	69	107	107	107
Total equity and liabilities	759	733	658	698	897	962

Net cash (debt)	198	93	49	77	155	172
Gross i.b. debt (long+short term)	98	98	99	99	99	-1

Cash flow, USDm	2018	2019	2020	2021e	2022e	2023e
Cash flow from operations	158	84	37	132	318	302
Cash flow from investments	-21	-108	-58	-56	-160	-160
Cash flow from financing (incl FX)	-2	-80	-21	-136	-110	-225
Change in cash	135	-105	-43	-60	48	-83
Cash CB	295	191	148	88	254	171

Key assumptions	2018	2019	2020	2021e	2022e	2023e
Production, boe/day	25 304	26 306	29 304	34 606	36 400	42 000
Brent oil price, USD/boe	72	64	43	71	86	78
Production cost, USD/boe	7.5	6.8	3.6	3.7	3.3	3.3

SOTP valuation and financial summary

SOTP

Asset	License	Operator	Country	Stake	Net mboe*	USD/boe	Unrisked USDm	Prob.	Risked SEKm	Risked SEK/share
Production										
Alvheim	PL 203/036C/088BS	Aker BP	Norway	15%	7	21.3	146	100%	1 227	4.3
Volund	PL 150	Aker BP	Norway	35%	3	19.5	53	100%	443	1.5
Ivar Aasen	PL 338BS/001B/242/457BS	Aker BP	Norway	1.4%	1	11.9	10	100%	82	0.3
Sverdrup	PL 265/501	Equinor	Norway	20%	546	12.2	6 645	100%	55 819	193.8
Solveig (Luno II)	PL 359	Lundin	Norway	65%	46	4.1	188	100%	1 581	5.5
Edvard Grieg	PL 338	Lundin	Norway	65%	111	14.5	1 613	100%	13 546	47.0
Sum production					713	12.1	8 655	100%	72 699	252.5
Discoveries										
Sverdrup upside	PL 265/501	Equinor	Norway	20%	91	12.2	1 108	100%	9 303	32.3
Edvard Grieg upside	PL 338	Lundin	Norway	65%	82	10.1	830	80%	5 580	19.4
Apollo	PL 338	Lundin	Norway	50%	18	4.6	80	50%	337	1.2
Alta + Gohata	PL 492/609	Lundin	Norway	55%	113	2.0	220	30%	554	1.9
Wisting	PL 537/537B	Equinor	Norway	35%	175	4.0	700	70%	4 116	14.3
Edvard Grieg south	PL 338	Lundin	Norway	65%	7	4.6	30	60%	150	0.5
Zulu	PL 674BS	Lundin	Norway	35%	5	4.0	20	50%	84	0.3
Neiden	PL 609	Lundin	Norway	40%	17	2.0	33	50%	139	0.5
Filicudi	PL 533	Lundin	Norway	35%	24	2.0	46	20%	77	0.3
Luno 2 North	PL 359	Lundin	Norway	65%	12	4.6	56	50%	236	0.8
Frosk	PL 340	Aker BP	Norway	15%	7	5.0	34	70%	198	0.7
Lille Prinsen	PL167	Equinor	Norway	20%	7	4.0	29	40%	97	0.3
Froskelår Main	PL 869	Aker BP	Norway	20%	13	1.5	20	50%	84	0.3
Rolvnes	PL 338C	Lundin	Norway	80%	37	4.6	169	90%	1 276	4.4
Jorvik/Tellus East	PL 338	Lundin	Norway	65%	16	4.6	75	50%	313	1.1
Froskelår NE	PL 869	Aker BP	Norway	20%	1	4.0	5	20%	8	0.0
Goddø	PL 815	Lundin	Norway	60%	3	4.0	13	50%	56	0.2
Irving	PL 820S	MOL	Norway	41%	6	4.0	25	50%	103	0.4
Gekko	PL 203	Aker BP	Norway	15%	6	4.0	24	50%	101	0.4
Sum discoveries					640	5.5	3 516	64%	22 815	79.2
Sum exploration					1 150	1.5	1 725	20%	2 898	10.1
Financial and other assets										
Tax losses not included in field DCF							14		118	0.4
Leikanger/MLK/Karskrv renewable investments							350		2 940	10.2
Potential Sudan liability							426		3 578	12.4
Overhead							-160	20%	-269	-0.9
							-150		-1 260	-4.4
Gross asset value									103 519	359.5
Net cash (debt)									-23 082	-80.2
Net asset value									80 436	279.3

Key assumptions: Oil price USD 86, 78, 70 for 2022-2024, 7% WACC for Sverdrup, 8% for other asset

Annual financials

P & L, USDm	2019	2020	2021e	2022e	2023e	2024e
Total revenues	2 956	2 564	5 485	5 824	6 268	5 226
EBITDA	2 549	2 028	4 561	5 294	5 792	4 767
<i>EBITDA margin</i>	<i>86%</i>	<i>79%</i>	<i>83%</i>	<i>91%</i>	<i>92%</i>	<i>91%</i>
EBIT	1 977	1 421	3 858	4 496	4 807	3 829
Pretax profit	1680	1274	3 388	4 527	4 858	3 894
Net income	826	384	495	1 380	1 474	1 187
EPS	2.70	1.34	1.73	4.83	5.16	4.15
Rec. EPS	0.87	0.99	2.78	4.83	5.16	4.15
Dividend	147	100	191	2.25	3.09	2.49

Balance sheet, USDm	2019	2020	2021e	2022e	2023e	2024e
Total fixed assets	5 667	6 221	175	26	-687	-993
Cash and equivalents	85	83	130	8 445	8 583	8 518
Other current assets	402	350	7 602	5	5	5
Total Assets	6 155	6 653	7 908	8 477	7 901	7 530
Total equity	-1599	-1769	-1419	604	2 916	4 849
Total non current liabilities	6 940	7 588	0	-1454	-4 342	-6 645
Total current liabilities	813	834	9 327	9 327	9 327	9 327
Total equity and liabilities	6 155	6 653	7 908	8 477	7 901	7 530

Net cash (debt)	-4 012	-3 908	130	8 445	9 083	9 518
Gross i.b. debt (long+short term)	4 098	3 990	0	0	-500	-1000

Cash flow, USDm	2019	2020	2021e	2022e	2023e	2024e
Cash flow from operations	1378	1528	3 058	9 528	1873	1812
Cash flow from investments	-106	-1080	-1412	-570	-397	-632
Cash flow from financing (incl FX)	-1259	-560	-1301	-643	-1338	-1246
Change in cash	12	-113	345	8 315	138	-66
Cash CB	85	83	130	8 445	8 583	8 518

Key assumptions	2019	2020	2021e	2022e	2023e	2024e
Average Brent price, USD/bbl	64	43	71	86	78	70
Production, boe/day	93 300	164 651	188 300	191 998	231 556	214 289
Opex/boe	5.1	3.0	3.7	3.5	3.6	3.7
Share price	325	226	325	375	375	375
EV/opcf	10.8x	7.2x	3.6x	0.5x	2.0x	1.8x
P/E	39.7x	24.9x	13.9x	9.3x	8.7x	10.8x
FCF yield	12.1%	6.4%	14.9%	70.2%	116%	9.2%
Dividend yield	4.3%	4.1%	5.0%	5.0%	6.9%	5.6%

SOTP valuation and financial summary

SOTP										
Asset	License	Operator	Country	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked SEKm	Risked SEK/share
Production										
Paris + Aquitaine basins	Various	IPC + other	France	42.5-100%	12	11.6	136	100 %	1 139	7.1
Suffield/Alderson	Various	IPC	Canada	100 %	85	6.2	524	100 %	4 404	27.6
Blackrod	Various	IPC	Canada	100 %	4	4.9	19	100 %	164	1.0
Mooney	Various	IPC	Canada	100 %	11	9.4	108	100 %	910	5.7
Onion Lake	Various	IPC	Canada	50%-100%	93	6.4	594	100 %	4 990	31.2
Ferguson	Various	IPC	Canada	100 %	14	7.0	98	100 %	823	5.2
Bertam	PM 307	IPC	Malaysia	100 %	4	36.0	147	100 %	1 231	7.7
Sum production					223	7.3	1 626	100 %	13 661	85.5
Discoveries										
France	Various	IPC	France	42.5-100%	10	0.5	5	50 %	21	0.1
Blackrod upside	Various	IPC	Canada	100 %	243	1.0	243	50 %	1 021	6.4
Onion Lake upside	Various	IPC	Canada	50%-100%	63	2.1	135	60 %	681	4.3
Sum discoveries					316	1.2	383	52 %	1 723	10.8
Bertam FPSO										
							29	100 %	243	1.5
Overhead										
							-50	100 %	-420	-2.6
Gross asset value										
							1 988		15 207	95.2
Net cash (debt)										
							-83		-698	-4.4
Net asset value										
							1 905		14 508	90.8

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024.

Annual financials

P & L, USD m	2018	2019	2020	2021e	2022e	2023e
Total revenues	454	554	324	641	957	867
EBITDA	286	286	100	317	547	481
<i>EBITDA margin</i>	63 %	52 %	31%	49 %	57 %	56 %
EBIT	161	141	-97	187	372	296
Pretax profit	114	123	-112	158	354	276
Net income	104	103	-78	132	326	252
Rec. EPS	120	0.64	-0.15	0.90	2.04	158
Dividend	0.00	0.00	0.00	0.00	0.20	0.20
Balance sheet, USD m						
Total fixed assets	184	1253	1241	1158	1108	1032
Cash and equivalents	11	16	7	98	551	847
Other current assets	88	96	86	121	121	121
Total Assets	1 283	1 365	1 333	1 377	1 780	2 000
Total equity	696	791	709	828	1131	1351
Total non current liabilities	490	474	527	439	539	539
Total current liabilities	96	100	97	110	110	110
Total equity and liabilities	1 283	1 364	1 333	1 377	1 780	2 000
Net cash (debt)	-273	-229	-318	-83	270	566
Gross interest bearing debt	284	245	324	181	281	281
Cash flow, USD m						
Cash flow from operations	283	270	77	285	501	437
Cash flow from investments	-419	-183	-106	-46	-124	-109
Cash flow from financing (incl FX)	113	-83	20	-93	76	-32
Change in cash	-23	5	-9	146	453	296
Cash CB	11	16	7	98	551	847
Key assumptions						
Production, boe/day	34 096	45 800	42 100	44 488	53 848	55 565
Brent price, USD/bbl	72	64	43	70	86	78
WCS price, USD/bbl	40	33	21	46	63	54
Henry Hub, USD, mcf	3.1	2.5	2.1	3.7	3.4	3.0
Opex/boe	14	14	13	19	20	18

SOTP valuation and financial summary

SOTP										
Asset	Licence	Operator	Country	Stake	Net USD/boe mboe	Unrisked USDm	Prob.	Riskd SEKm	Riskd SEK/share	
Production										
Tie	REC-T-155	Maha	Brazil	100 %	16.3	22.6	368	100 %	3 126	24.3
Tartaruga	DO SES-107D	Maha	Brazil	75 %	10.4	5.8	60	100 %	510	4.0
Dome Illinois Basin	-	Maha	US	100 %	2.9	9.3	27	100 %	228	1.8
LAK Ranch	LAK Ranch	Maha	US	99 %	0.6	7.6	5	100 %	39	0.3
Sum production					30	15.2	459	100 %	3 903	30.3
Discoveries										
LAK Ranch upside	LAK Ranch	Maha	US	99.0 %	8	3.8	31	20 %	53	0.4
Mafraq	Block 70	Maha	Oman	100.0 %	23	1.0	23	50 %	97	0.8
Sum discoveries					31	1.7	54	42 %	150	1.2
Exploration										
Tie	Various	Maha	Brazil		45	1.0	45	25 %	96	0.7
Sum exploration					76	1.3	99	15 %	96	0.7
Financial and other assets							0		0	0.0
Overhead							-36		-306	-2.4
Gross asset value									3 843	29.8
Net cash (debt)							-21		-179	-1.4
Net asset value									3 664	28.5

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 12% WACC Brazil, 10% US

Annual financials

P & L, USDm	2018	2019	2020	2021e	2022e	2023e
Net revenues (after royalty)	33	48	33	65	122	143
EBITDA	23	35	18	49	99	120
<i>EBITDA margin</i>	68 %	73 %	54 %	75 %	81 %	84 %
EBIT	19	30	-9	41	87	103
Pretax profit	15	25	-14	31	78	94
Net income	26	20	-10	23	60	73
EPS	0.26	0.20	-0.10	0.21	0.55	0.67
Rec. EPS	0.14	0.20	0.05	0.21	0.55	0.67
Dividend	0.00	0.00	0.00	0.00	0.00	0.05

Balance sheet, USDm	2018	2019	2020	2021e	2022e	2023e
Total fixed assets	91	106	112	138	159	181
Cash and equivalents	20	22	7	34	73	124
Other current assets	8	8	5	7	7	7
Total Assets	119	136	124	179	239	313
Total equity	69	88	56	96	156	230
Total non current liabilities	41	41	11	57	57	57
Total current liabilities	9	7	58	26	26	26
Total equity and liabilities	119	136	124	179	239	313

Net cash (debt)	-11	-8	-29	-21	19	70
Gross interest bearing debt (long+short term)	31	31	36	55	55	55

Cash flow, USDm	2018	2019	2020	2021e	2022e	2023e
Cash flow from operations	18	29	19	36	73	90
Cash flow from investments	-16	-27	-34	-44	-33	-39
Cash flow from financing (incl FX)	1	0	0	36	0	0
Change in cash	4	2	-14	28	40	51
Cash CB	20	22	6	34	73	124

Key assumptions	2018	2019	2020	2021e	2022e	2023e
Average Brent price, USD/boe	72	64	43	70	86	78
Production, boe/day	1795	3 041	3 302	3 703	5 604	7 459
Opex/boe	10	6	8	9	7	6

SOTP valuation and financial summary

SOTP

Asset	Licence	Operator	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked NOKm	Risked NOK/sh
Production									
Dan, incl redevelopment	DUC	Total	37 %	26	6.4	165	100 %	1 399	57
Gorm incl Rolf	DUC	Total	37 %	6	12.0	75	100 %	640	26
Halfdan	DUC	Total	37 %	61	8.8	536	100 %	4 553	185
Harald (Tyra hub)	DUC	Total	37 %	3	3.2	8	100 %	70	3
Kraka	DUC	Total	37 %	3	9.9	25	100 %	211	9
Roar (Tyra hub)	DUC	Total	37 %	4	2.1	8	100 %	71	3
Valdemar (Tyra hub)	DUC	Total	37 %	11	9.7	102	100 %	869	35
Skjold (Gorm hub)	DUC	Total	37 %	8	10.5	86	100 %	733	30
Sum production				121	8.3	1 005	100 %	8 546	347
Discoveries									
Tyra, redevelopment	DUC	Total	37 %	71	9.5	669	90 %	5 118	208
2C resources	DUC	Total	37 %	200	4.0	800	30 %	2 040	83
Sum discoveries				271	5.4	1 469	46 %	7 158	291
Value of forward oil sales*						-85	100 %	-721	-29
Other assets (tax etc.)						19	50 %	80	3
Overhead								-425	-17
Gross asset value								14 638	595
Net cash (debt)						-1 025		-8 711	-354
Net asset value								5 928	241

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024.

* vs. SB1M base case

Annual financials

P&L, USDm	2019	2020	2021e	2022e	2023e
Total revenues	333	586	549	643	1 034
EBITDA	125	269	233	376	756
<i>EBITDA margin</i>	<i>37 %</i>	<i>46 %</i>	<i>42 %</i>	<i>58 %</i>	<i>73 %</i>
EBIT	-211	128	120	261	588
Pretax profit	-184	-13	2	185	515
Net income	216	19	-16	52	171
EPS	6.1	0.6	-0.5	1.7	5.5
Rec. EPS	0.8	1.4	0.5	1.7	5.5
DPS	0.0	0.0	0.0	0.0	2.0
Balance sheet, USDm					
Total fixed assets	2 414	2 533	2 805	2 955	2 986
Cash and equivalents	286	259	169	224	349
Other current assets	237	170	139	139	139
Total Assets	2 937	2 962	3 113	3 317	3 474
Total equity	573	630	503	555	678
Total non current liabilities	1 982	1 992	2 263	2 415	2 449
Total current liabilities	382	340	347	347	347
Total equity and liabilities	2 937	2 962	3 113	3 317	3 474
Net cash (debt)	-685	-780	-1 149	-1 225	-1 099
Gross i.b. bearing debt (long+short)	983	1 019	1 194	1 324	1 324
Condensed cash flow, USDm					
Cash flow from operations	200	342	24	189	373
Cash flow from investments	-1 233	-283	-217	-265	-199
Cash flow from financing (incl FX)	1 317	-86	121	130	-49
Change in cash	283	-27	-72	54	126
Key assumptions					
Brent oil price, USD/bbl	64	43	70	86	78
NBP gas price, USD/mmbtu	4.8	3.3	16.2	20.8	12.3
Production, boe/day	18 325	28 500	27 158	26 263	38 151
Opex/boe, USD	13	29	30	26	19
D&A/boe, USD		13	11	12	12

SOTP valuation and financial summary

SOTP									
Asset	Licence	Operator	Stake	Net mmboe	USD/boe	Unrisked USDm	Prob.	Risked NOKm	Risked NOK/sh
Production									
Draugen	PL 093	OKEA	44.6%	21	7.9	164	100 %	1 425	14.0
Gjøa	PL 153	Neptune	12.0%	7	15.5	108	100 %	940	9.2
Yme base case	PL 316	Repsol	15.0 % ▲	9 ▲	15.9 ▲	138	100 %	1 204	11.8
Ivar Aasen	PL 088BS/203/036C	Aker BP	2.2%	7	9.7	66	100 %	575	5.6
Sum production				43	11.0	476	100 %	4 144	40.7
Discoveries									
Grevling / Storskrynten	PL 038D	OKEA	35% / 50%	17	3.1	54	5 %	23	0.2
Yme upside	PL 316	Repsol	15.0 %	1	2.7 ▲	4	50 %	15	0.2
Aurora	PL 195B	OKEA	40.0 %	20	1.0	20	40 %	70	0.7
Hasselmus	PL 093	OKEA	44.6 %	8	4.4	33	80 %	231	2.3
East Flank	PL 093	OKEA	44.6 %	2	6.5	13	70 %	79	0.8
Sum discoveries				48	2.6	124	35 %	419	4.1
Exploration									
Calypso	PL 938	Neptune	30.0 %	11	2.0	22	15 %	29	0.3
Skumnisse	PL 093	OKEA	44.6 %	11	2.0	22	5 %	9	0.1
Springmus East	PL 093	OKEA	44.6 %	3	2.0	6	1 %	0	0.0
Springmus West	PL 093	OKEA	44.6 %	1	2.0	2	1 %	0	0.0
Innfill Æ	PL 093	OKEA	44.6 %	2	2.0	4	1 %	0	0.0
Hamlet	PL 153	Neptune	12.0 %	2	2.0	4	1 %	0	0.0
Draugen NE	PL 1001	ConocoPhillip	20.0 %	24	2.0	47	1 %	4	0.0
Rialto	PL 958	OKEA	50.0 %	158	2.0	316	1 %	27	0.3
Mår	PL 973	Chrysaor	30.0 %	21	2.0	42	1 %	4	0.0
Sum exploration				233	2.0	465	2 %	75	0.7
Overhead						-57	100 %	-500	-4.9
Other assets/liabilities						1	100 %	12	0.1
Gross asset value								4 150	40.8
Net cash (debt)								-80	-0.8
Net asset value								4 070	40.0

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 8% WACC

Annual financials								
P&L, NOKm	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Total revenues	43	316	2 990	1 730	3 625	5 338	3 986	3 348
EBITDA	-38	101	1 637	867	2 521	4 184	2 891	2 222
EBITDA margin	-87 %	32 %	55 %	50 %	70 %	78 %	73 %	66 %
EBIT	-56	44	824	-1 219	2 577	3 336	2 109	1 469
Pretax profit	-80	-268	416	-1 231	2 405	3 174	2 048	1 456
Net income	-12	-149	-58	-602	545	738	492	361
Rec. EPS	nm	nm	nm	-4.3	3.6	7.2	4.8	3.5
DPS	0.0	0.0	0.0	0.0	0.0	1.8	1.8	1.6
Balance sheet, NOKm								
Total fixed assets	775	8 329	8 558	7 867	8 710	8 566	8 672	8 256
Cash and equivalents	30	395	1 664	871	2 298	3 564	2 322	2 120
Other current assets	1 028	1 229	764	1 038	951	951	951	951
Total Assets	1 833	9 952	10 986	9 776	11 958	13 080	11 944	11 326
Total equity	474	1 463	1 681	1 083	1 635	2 373	2 739	2 913
Total non current liabilities	1 283	7 275	7 556	7 717	8 478	8 478	6 971	6 154
Total current liabilities	76	1 214	1 749	976	1 846	2 230	2 235	2 260
Total equity and liabilities	1 833	9 952	10 986	9 776	11 958	13 080	11 944	11 326
Net cash (debt)	-935	-2 135	-893	-1 529	-80	1 185	1 450	2 065
Gross i.b. bearing debt (long+short)	964	2 530	2 557	2 400	2 379	2 379	872	55
Condensed cash flow, NOKm								
Cash flow from operations	-37	199	2 071	660	2 391	1 970	1 280	1 140
Cash flow from investments	-1 032	-2 260	-807	-1 100	-717	-705	-889	-338
Cash flow from financing (incl FX)	1 061	2 422	6	-351	-251	0	-1 633	-1 004
Change in cash	-8	361	1270	-791	1424	1265	-1242	-202
Key assumptions								
Brent oil price, USD/bbl	55	71	64	43	70	86	78	70
Gas price, USD/mmBtu	5.8	7.9	4.8	3.2	16.2	15.0	8.7	8.4
Production, boe/day	0	0	18 672	16 155	15 903	20 727	18 671	17 479
Opex/boe, USD			11	12	15	16	16	17
D&A/boe, USD			12	13	14	13	13	14

SOTP valuation and financial summary

SOTP

Asset	Licence	Operator	Country	Stake	Net mboe	USD/boe	Unrisked USDm	Prob.	Risked NOKm	Risked NOK/sh
Production										
Tortue	Dussafu EEA	BWE	Gabon	17.5%	6.0	18.9	113	100 %	959	8.5
Ceiba	Block G	Trident	Equatorial G	14.3%	13.0	7.4	96	80 %	656	5.8
Okume Complex	Block G	Trident	Equatorial G	14.3%	18.9	9.5	179	80 %	1 219	10.8
Cercina & Cercina Sud (offshore)	TPS	TPS	Tunisia	29 %	2.5	15.2	38	100 %	321	2.8
Rhemoura (onshore)	TPS	TPS	Tunisia	29 %	0.2	15.3	3	100 %	22	0.2
Guebiba, El Hajeb (onshore)	TPS	TPS	Tunisia	29 %	1.7	15.8	27	100 %	233	2.1
Sum production					42.2	10.8	456	85 %	3 410	30.2
Discoveries										
Ruche + Ruche NE	Dussafu EEA	BWE	Gabon	17.5%	9.2	13.3	123	85 %	889	7.9
Walt Withman	Dussafu EEA	BWE	Gabon	17.5%	2.3	8.0	18	20 %	31	0.3
Moubenga	Dussafu EEA	BWE	Gabon	17.5%	1.1	8.0	8	20 %	14	0.1
Hibiscus	Dussafu EEA	BWE	Gabon	17.5%	8.1	7.6	62	70 %	367	3.3
Hibiscus North	Dussafu EEA	BW Energy	Gabon	17.5%	1.3	7.6	10	70 %	60	0.5
El Ain - Gremda (onshore)	TPS	TPS	Tunisia	29 %	0.0	25.1	1	80 %	8	0.1
Salloum	Sfax	Panoro	Tunisia	53 %	1.0	13.3	14	75 %	88	0.8
Ras El Beash / Jawahra	Sfax	Panoro	Tunisia	53 %	7.9	3.0	24	60 %	121	1.1
Cercina & Cercina Sud (offshore) upsides	TPS	TPS	Tunisia	29 %	0.6	7.6	4	60 %	22	0.2
Rhemoura (onshore) upsides	TPS	TPS	Tunisia	29 %	0.3	7.7	2	60 %	11	0.1
El Ain - Gremda (onshore) upsides	TPS	TPS	Tunisia	29 %	0.6	12.5	8	60 %	38	0.3
Guebiba, El Hajeb (onshore) upsides	TPS	TPS	Tunisia	29 %	0.2	7.9	1	60 %	6	0.1
Sum discoveries					32.6	8.5	275	66 %	1 656	14.7
Sum exploration										
					175	1.5	260	13 %	310	2.7
Overhead							-28	100 %	-238	-2.1
Other liabilities/contingent payments							-5	50 %	-21	-0.2
PetroNor shares							10	100 %	83	0.7
Gross asset value									5 221	46.1
Net cash (debt)							-75		-638	-5.7
Net asset value									4 583	40.4

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024. 12% WACC

Annual financials

P & L, USDm	2017	2018	2019	2020	2021e	2022e	2023e
Total revenues	7	12	54	28	118	212	269
EBITDA	-5	-3	26	2	87	158	206
<i>EBITDA margin</i>	-84 %	-25 %	48 %	6 %	74 %	75 %	76 %
EBIT	-36	-7	25	-2	116	122	153
Pretax profit	-36	-7	17	2	105	116	149
Net income	-36	-7	7	-2	82	69	108
EPS	-0.85	-0.14	0.11	-0.03	0.73	0.61	0.96
Rec EPS	-0.24	-0.15	0.05	-0.13	0.27	0.61	0.96
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.10
Balance sheet, USDm							
Total fixed assets	25	90	87	95	509	509	491
Cash and equivalents	6	23	30	15	30	80	177
Other current assets	4	13	35	39	57	57	57
Total Assets	35	126	152	148	596	646	725
Total equity	17	47	72	68	209	278	375
Total non current liabilities	11	56	41	44	315	297	279
Total current liabilities	7	23	39	37	72	72	72
Total equity and liabilities	35	126	152	149	596	646	725
Net cash (debt)	4	-15	5	-15	-63	6	120
Gross interest bearing debt	2	38	25	30	93	75	57
Condensed cash flow, USDm							
Cash flow from operations	-2	-6	-9	0	42	111	164
Cash flow from investments	5	-30	-15	-14	-169	-36	-34
Cash flow from financing (incl FX)	-2	54	-14	-1	141	-24	-34
Change in cash	2	17	-38	-15	14	51	96
Key assumptions and valuation							
Average Brent price, USD/boe	55	72	64	43	70	86	78
Production, boe/day	306	751	2 370	2 411	6 225	8 886	12 515

SOTP valuation and financial summary

SOTP										
Asset	Licence	Operator	Country	Stake	Net mboe	USD/boe	Un-risked USDm	Prob.	Risked NOKm	Risked NOK/sh
Production										
Tchibouela	PNGF Sud	Perenco	Congo	16.8%	10.4	10.4	108	100 %	917	0.68
Tchendo	PNGF Sud	Perenco	Congo	16.8%	4.5	10.9	49	100 %	417	0.31
Litanzi	PNGF Sud	Perenco	Congo	16.8%	2.7	11.5	31	100 %	260	0.19
Tchibeli	PNGF Sud	Perenco	Congo	16.8%	2.5	10.7	26	100 %	222	0.16
Aje (prod + dt)	OML 113	YFP	Nigeria	12.2%	20.0	2.0	40	50 %	170	0.13
Sum production					40.0	6.3	254	92 %	1 987	1.46
Discoveries										
Loussima	PNGF Bis	Perenco	Congo	23.6%	3.4	5.1	17	60 %	89	0.07
Loussima SW	PNGF Bis	Perenco	Congo	23.6%	3.4	5.1	17	60 %	89	0.07
PNGF Sud resources	PNGF Bis	Perenco	Congo	16.8%	7.4	5.4	40	60 %	204	0.15
Sum discoveries					10.8	6.9	75	60 %	382	0.28
Exploration										
ROP, Senegal	ROP	PetroNor	Senegal	90 %	100	2.0	200	5 %	85	0.06
SOSP, Senegal	SOSP	PetroNor	Senegal	90 %	100	2.0	200	5 %	85	0.06
Sinapa	Block 2	PetroNor	Guinea Biss	79 %	10	2.0	20	5 %	9	0.01
Esperanca	Block 45/5A	PetroNor	Guinea Biss	79 %	10	2.0	20	5 %	9	0.01
A4, The Gambia	A4	PetroNor	The Gambia	100 %	200	2.0	400	20 %	680	0.50
Sum exploration					420	2.0	840	12 %	867	0.64
Overhead and other							-17		-146	-0.11
Gross asset value							1 006		3 090	2.27
Net cash (debt)							11		90	0.07
Net asset value							1 016		3 179	2.34

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024. 12% WACC

Annual financials

P&L, USDm	2020	2021e	2022e	2023e	2024e	2025e
Total revenues	68	121	267	247	238	242
EBITDA	34	81	189	166	153	155
<i>EBITDA margin</i>	<i>nm</i>	<i>67 %</i>	<i>71 %</i>	<i>67 %</i>	<i>64 %</i>	<i>64 %</i>
EBIT	29	75	180	156	142	144
Pretax profit	28	72	178	154	140	143
Net income	11	35	99	82	70	71
EPS	0.01	0.02	0.07	0.06	0.05	0.05
Recurring EPS	0.01	0.02	0.07	0.06	0.05	0.05
Condensed balance sheet, USDm	2020	2021e	2022e	2023e	2024e	2025e
Total fixed assets	31	71	111	153	203	257
Cash and equivalents	14	29	88	128	127	123
Other current assets	35	9	9	9	9	9
Total Assets	79	108	208	289	338	388
Total equity	22	59	158	240	288	338
Total non current liabilities	30	34	34	34	34	34
Total current liabilities	27	16	16	16	16	16
Total equity and liabilities	79	108	208	289	338	388
Net cash (debt)	-5	11	70	109	108	105
Gross interest bearing debt (long+short terr)	19	18	18	18	18	18
Condensed cash flow, USDm	2020	2021e	2022e	2023e	2024e	2025e
Cash flow from operations	-3	19	70	54	44	45
Cash flow from investments	-8	-14	-11	-15	-23	-27
Cash flow from financing (incl FX)	-3	9	0	0	-22	-21
Change in cash	-14	15	59	40	-1	-4
Key assumptions	2020	2021e	2022e	2023e	2024e	2025e
Brent oil price, USD/bbl	43	70	86	78	70	71
Production, boe/day	2 380	3 456	5 117	5 277	5 624	5 655

SOTP valuation and financial summary

SOTP

Asset	Stake	Net mboe	CAD/boe	Unrisked CADm	Prob.	Risked NOKm	Risked NOK/share
Production							
Antler (Saskatchewan)	50%-100%	1.3	4.0	5	100 %	35	0.08
Montney (Alberta)	Various	28	4.3	121	100 %	835	1.95
Manitoba	Various	0.1	4.0	0	100 %	3	0.01
Sum producing fields		29.7	4.3	126	100 %	873	2.04
Discoveries							
Lowlands (Quebec), contingent resources	100 %	600	0.1	64	0 %	0	0.00
Compansation Quebec ()	100 %	nm	nm	33	80 %	182	0.43
Upside compansation (USD 1/boe NPV lost)	100 %	nm	nm	567	5 %	196	0.46
Montney upside (Alberta)	Various	20	2.1	43	10 %	29	0.07
Green Leaf (Utah)	3 %	12	1.0	12	10 %	8	0.02
Oil shale Jordan	100 %	na	na	40	5 %	14	0.03
Sum discoveries		632	0.2	759	8 %	429	1.00
Exploration							
Montney (Alberta)	Various	50	1.0	50	5 %	17	0.04
Lowlands (Quebec) prospective resources	25 %	966	0.1	52	0 %	0	0.00
Sum exploration		50	1.0	50	5 %	17	0.04
Overhead				-35	100 %	-242	-0.56
Gross asset value				901		1 078	2.52
Net cash (debt)				1		10	0.02
Net asset value						1 088	2.54

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024

Annual financials

P & L, CADm	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Total revenues	20	31	31	21	28	25	23	51
EBITDA	1	13	13	5	14	11	8	26
EBITDA margin	4 %	53 %	68 %	80 %	97 %	68 %	145 %	200 %
EBIT	-21	29	0	-117	8	5	3	12
Pretax profit	-19	20	72	-18	8	5	3	13
Net income	-25	14	65	-118	8	4	3	11
EPS	-0.07	0.03	0.15	-0.27	0.02	0.01	0.01	0.03
Reccuring EPS	-0.02	-0.02	-0.02	-0.01	0.02	0.01	0.01	0.03

Balance sheet, CADm	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Total fixed assets	177	210	298	182	179	185	191	198
Cash and equivalents	36	19	15	10	10	9	5	10
Other current assets	4	4	5	4	5	5	5	5
Total Assets	217	233	318	196	195	199	201	213
Total equity	171	187	269	152	161	165	168	179
Total non current liabilities	16	14	21	22	21	21	21	21
Total current liabilities	31	32	28	22	13	13	13	13
Total equity and liabilities	217	233	318	196	195	199	201	213

Net cash (debt)	22	5	-1	-5	3	1	-2	2
Gross interest bearing debt	14	14	16	15	7	7	7	7

Cash flow, CADm	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Cash flow from operations	15	13	11	6	14	10	8	25
Cash flow from investments	-33	-30	-24	-10	-6	-12	-12	-20
Cash flow from financing (incl FX)	46	1	16	-1	-8	0	0	0
Change in cash	28	-17	3	-5	0	-1	-4	5

Key assumptions	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Realised oil price, USD/boe	60	66	64	42	77	84	78	76
Henry Hub gas price, USD/mcf	3.0	3.1	2.5	2.1	3.7	3.5	3.6	3.6
Production, boe/day	1348	1869	2 121	1971	1473	1344	1284	2 961

SOTP valuation and financial summary

SOTP

Asset	Country	Stake Operator	Net mboe	USD/boe	Unrisked USDm	Prob.	Riskd SEKm	Riskd SEK/share
Production								
Atrush	Iraq	27.6 % TAQA	20	5.7	117	100 %	980	0.35
Sarsang	Iraq	18.0 % HKN	44	4.2	184	100 %	1 550	0.55
Sum production			65	4.6	301	100 %	2 530	0.90
Discoveries								
Atrush 2C	Iraq	27.6 % TAQA	79	4.1	322	40 %	1 083	0.39
Sarsang upside	Iraq	18.0 % HKN	19	3.0	57	40 %	190	0.07
Sum discoveries			79	4.1	322	40 %	1 083	0.45
Overhead					-23		-189	-0.07
Gross asset value					408		3 425	1.29
Net cash (debt), adjusted					-253		-2 122	-0.76
Net asset value							1 302	0.53

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 12% WACC

Annual financials

P & L, USDm	2018	2019	2020e	2021e	2022e	2023e
Total revenues	70	70	57	128	302	239
EBITDA	51	36	20	91	256	192
<i>EBITDA margin</i>	73 %	52 %	35 %	71 %	84 %	80 %
EBIT	23	11	-122	67	219	155
Pretax profit	2	-13	-144	37	176	120
Net income	2	-13	-144	37	176	120
Rec. EPS	0.00	-0.01	-0.01	0.01	0.06	0.04
Balance sheet, USDm						
Total fixed assets	289	297	195	292	284	251
Cash and equivalents	25	16	28	32	258	444
Other current assets	106	56	19	74	74	74
Total Assets	420	368	242	399	616	769
Total equity	154	142	4	41	218	337
Total non current liabilities	248	191	36	40	40	40
Total current liabilities	18	35	203	317	358	391
Total equity and liabilities	420	369	243	399	616	769
Net cash (debt)	-212	-174	-179	-274	-48	137
Gross interest bearing debt	237	190	207	306	306	306
Cash flow, USDm						
Cash flow from operations	47	15	13	81	256	192
Cash flow from investments	5	-15	0	-150	-28	-4
Cash flow from financing (incl FX)	34	-76	0	72	-2	-2
Change in cash	87	-89	13	3	226	186
Cash CB	25	16	28	32	258	444

SOTP valuation and financial summary

SOTP									
Asset	Country	Licence	Stake	Operator	Net mboe	USD/ boe	Unrisked SEKm	Prob.	SEK/ share
Production									
Block 3,4 (2P)	Oman	Block 3,4	30 %	CCED	26	7.2	1 686	100 %	47.4
Gargzdai	Lithuania	Gargzdai	25 %	Galli Coz	0	5.0	2	100 %	0.1
Sum production					26	7.2	1 688	100 %	47.5
Developments									
Block 3,4 (3P)	Oman	Block 3,4	30 %	CCED	12	5.0	538	80 %	12.1
Sum developments									12.1
Exploration									
Block 56	Oman	Block 56	65 %	Tethys	36	2.0	645	20 %	3.6
Block 58	Oman	Block 58	100 %	Tethys	10	2.0	180	20 %	1.0
Block 49 (EOG block)	Oman	Block 49	50 %	Tethys	10	2.0	180	20 %	1.0
Rietacas	Lithuania	Rietacas	30 %	Tethys	0	2.5	1	10 %	0.0
Raseiniai	Lithuania	Raseiniai	30 %	Tethys	0	2.5	1	10 %	0.0
Sum exploration					56	2.0	1 007	20 %	5.7
Financial assets									
							162	100 %	4.6
Overhead									
							-50	100 %	-1.4
Gross asset value									
									68
Net cash (debt)									
							599	100 %	16.9
Net asset value									
									85

Key assumptions: Brent price USD 86, 78, 70 for 2022-2024, 12% WACC, net debt and asset values are estimated at next year-end

Annual financials

P&L, USDm	2018	2019	2020	2021e	2022e	2023e
Total revenues	157	151	101	110	133	123
EBITDA	106	84	50	60	79	71
<i>EBITDA margin</i>	67 %	56 %	50 %	55 %	59 %	58 %
EBIT	60	37	6	19	33	29
Pretax profit	62	38	3	20	33	29
Net income	62	38	3	20	33	29
EPS	1.77	1.09	0.11	0.60	1.03	0.90
Recurring EPS	1.76	1.21	0.17	0.59	1.03	0.90
DPS (incl share redemp.), USD	0.69	0.53	0.43	0.71	0.82	0.94

Condensed balance sheet, USDm	2018	2019	2020	2021e	2022e	2023e
Total fixed assets	200	212	216	204	198	196
Cash and equivalents	73	76	55	67	83	87
Other current assets	18	12	9	12	24	23
Total Assets	291	300	281	283	304	306
Total equity	268	276	258	260	282	284
Total non current liabilities	9	11	13	14	14	14
Total current liabilities	15	13	10	8	8	8
Total equity and liabilities	291	300	281	283	304	306

Net cash (debt)	73	76	55	67	83	87
Gross interest bearing debt	0	0	0	0	0	0

Condensed cash flow, USDm	2018	2019	2020	2021e	2022e	2023e
Cash flow from operations	105	94	53	56	79	72
Cash flow from investments	-55	-65	-45	-28	-40	-40
Cash flow from financing (incl FX)	-1	-28	-13	-16	-23	-27
Change in cash	50	2	-6	11	16	4

Key assumptions & valuation	2018	2019	2020	2021e	2022e	2023e
Realised oil price, USD/boe	70	64	46	62	85	78
Production, boe/day	11 851	12 907	11 356	10 983	11 888	11 054
Opex/boe, USD	11	11	10	11	11	11
D&A/boe, USD	11	10	11	10	11	11
Dividend (SEK)	6.0	5.0	4.0	6.0	7.0	8.0

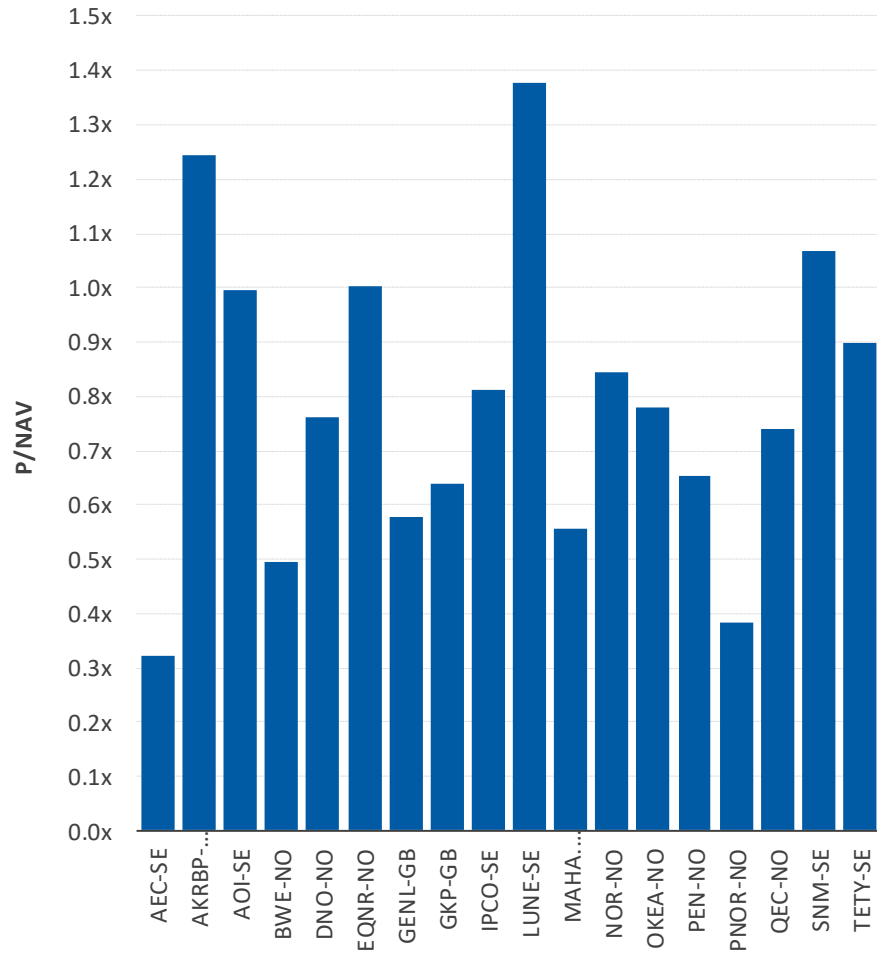
Appendix 3: Sector valuation and performance

E&P valuation summary and key figures (coverage universe)

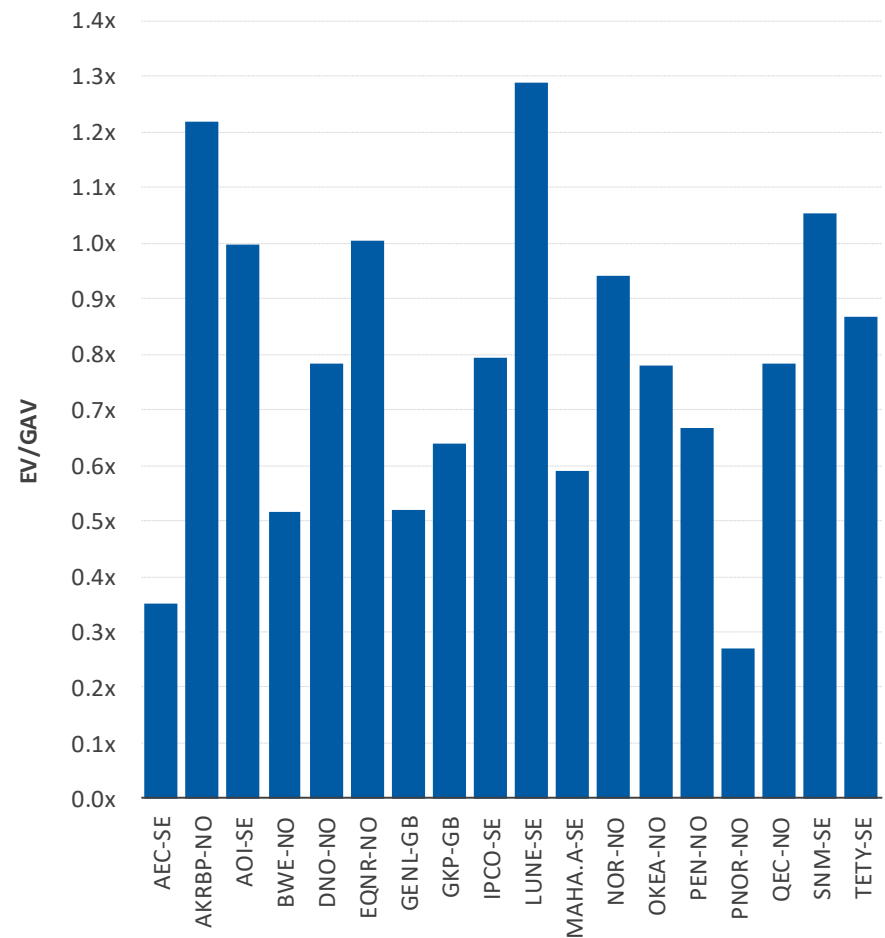
Company	Ticker	Mcap USDm	Share Price (local fx)	Target (local fx)	Rec.	Valuation			Value per share, local FX				
						EV/GAV	P/NAV	P/CORE NAV	NAV	Prod.	Discov.	Explor.	Net cash (debt) & other
Africa Energy	AEC-SE	260	1.9	4.2	Buy	0.35x	0.32x	0.66x	5.9	0.0	3.1	3.0	-0.3
Aker BP	AKRBP-NO	12 508	311.8	355	Buy	1.22x	1.24x	1.26x	250.9	215.4	59.6	3.8	-27.9
Africa Oil	AOI-SE	870	18.0	23	Buy	1.00x	1.00x	1.05x	18.1	17.9	2.0	1.0	-2.8
BW Energy	BWE-NO	733	25.5	34	Buy	0.52x	0.49x	0.53x	51.6	13.7	37.1	3.1	-2.3
DNO	DNO-NO	1 504	13.8	13	Neutral	0.78x	0.76x	0.78x	18.2	15.7	4.1	0.4	-2.0
Equinor	EQNR-NO	108 325	298.5	280	Neutral	1.00x	1.00x	1.01x	297.6	204.4	23.7	2.6	50.3
Genel	GENL-GB	552	150.0	225	Buy	0.52x	0.58x	0.59x	259.4	210.8	11.2	5.8	31.5
Gulf Keystone	GKP-GB	617	218.5	300	Buy	0.64x	0.64x	0.64x	341.0	308.6	30.9	0.0	1.5
International Petroleum Co	IPCO-SE	1 138	73.2	76	Buy	0.79x	0.81x	0.81x	90.3	70.2	10.8	0.0	9.3
Lundin	LUNE-SE	11 194	386.2	400	Neutral	1.29x	1.38x	1.43x	280.3	247.0	84.7	10.1	-61.5
Maha	MAHA.A-SE	186	15.4	23	Buy	0.59x	0.56x	0.57x	27.5	27.7	1.4	0.7	-2.3
Noreco	NOR-NO	581	212.5	265	Buy	0.94x	0.84x	0.84x	251.8	349.5	326.2	0.0	-423.9
OKEA	OKEA-NO	369	31.9	35	Buy	0.78x	0.78x	0.79x	41.0	37.8	2.5	0.7	0.0
Panoro	PEN-NO	366	29.0	38	Buy	0.67x	0.66x	0.70x	44.2	28.4	14.8	2.7	-1.7
PetroNor	PNOR-NO		1.0	1.5	Neutral	0.27x	0.38x	0.50x	2.7	1.3	0.3	0.6	0.4
Questerre	QEC-NO	91	1.9	3	Neutral	0.78x	0.74x	0.75x	2.5	2.0	1.0	0.0	-0.5
Shamaran	SNM-SE	193	0.9	0.8	Neutral	1.05x	1.07x	1.07x	0.8	0.7	0.3	0.0	-0.2
Tethys	TETY-SE	248	74.0	83	Buy	0.87x	0.90x	0.95x	82.2	46.4	11.8	4.6	19.4

Sector valuation

P/NAV

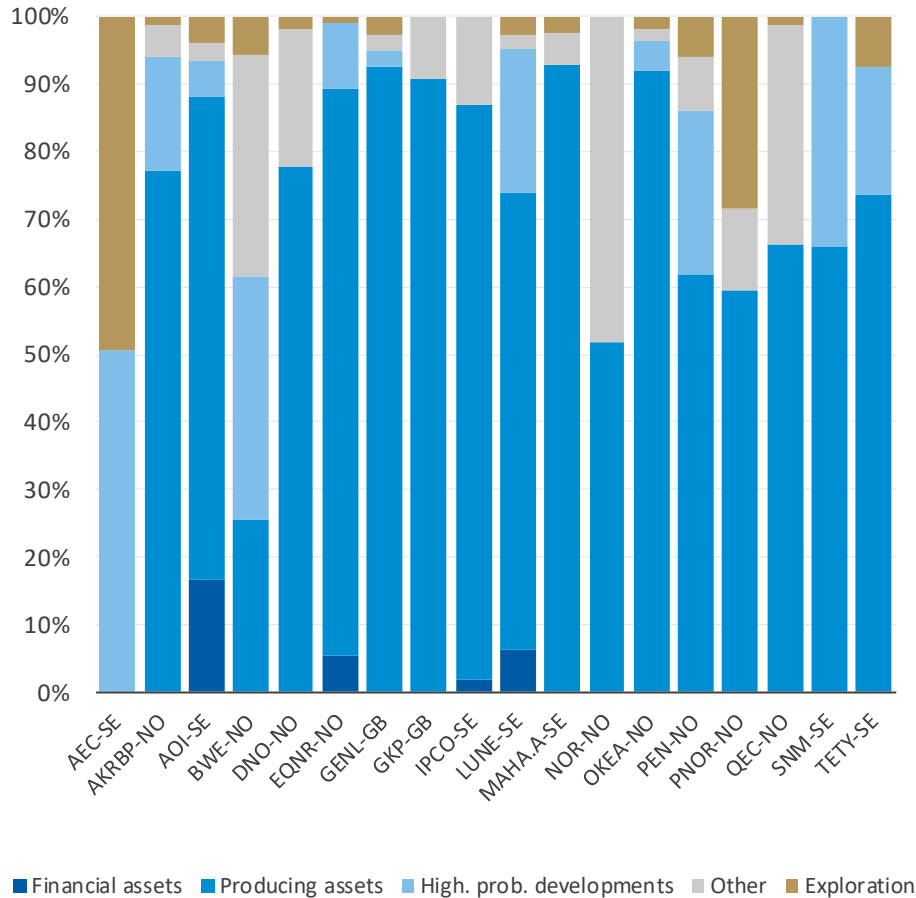


EV/GAV

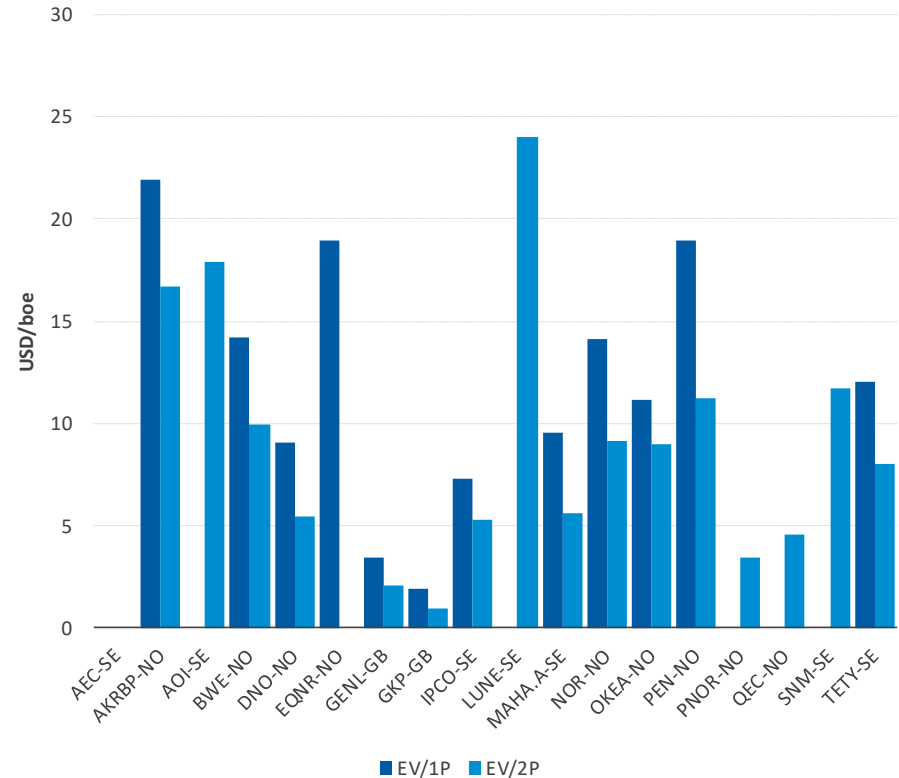


Asset composition and EV/reserves

Asset composition (SB1 valuation)



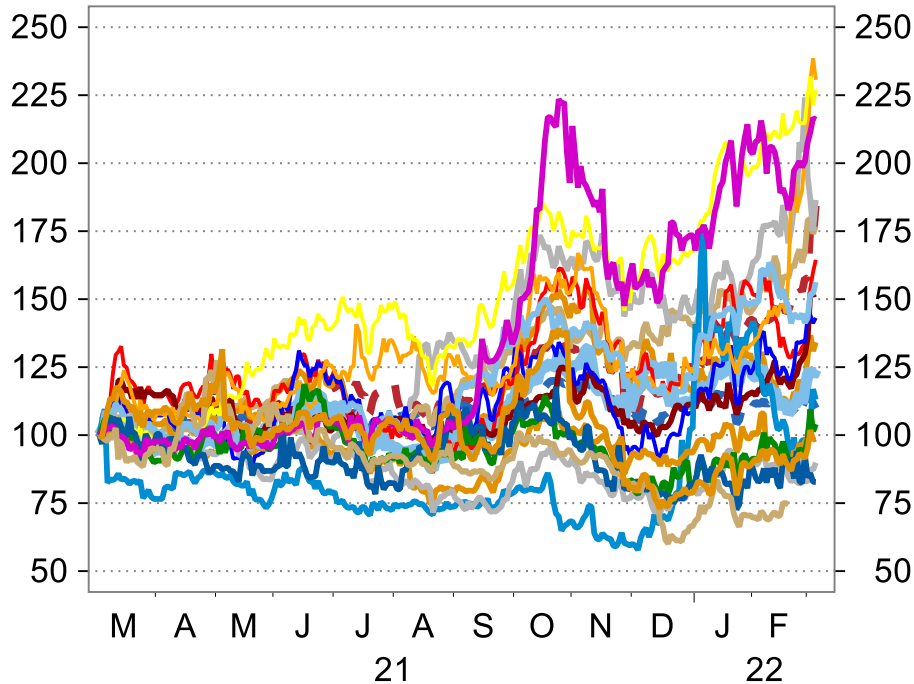
EV/reserves*



* Not all companies have booked reserves. Source: SB1 Markets

Share price performance coverage universe vs. Brent and OSEBX

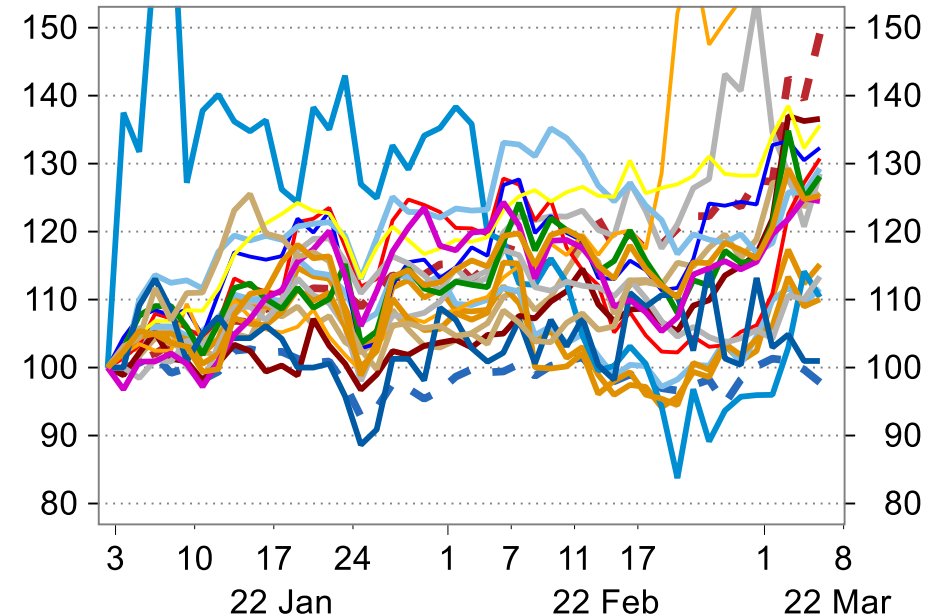
12 months



— BWE — MAHA — TETY — NOR — AKERBP
 — PNOR — IPCO — SNM — DNO — EQNR
 — OKEA — GKP — QEC — LUNE — OSEBX
 — AEC — GENL — PEN — AOI — Brent

SB1 Markets/Macrobond

YTD

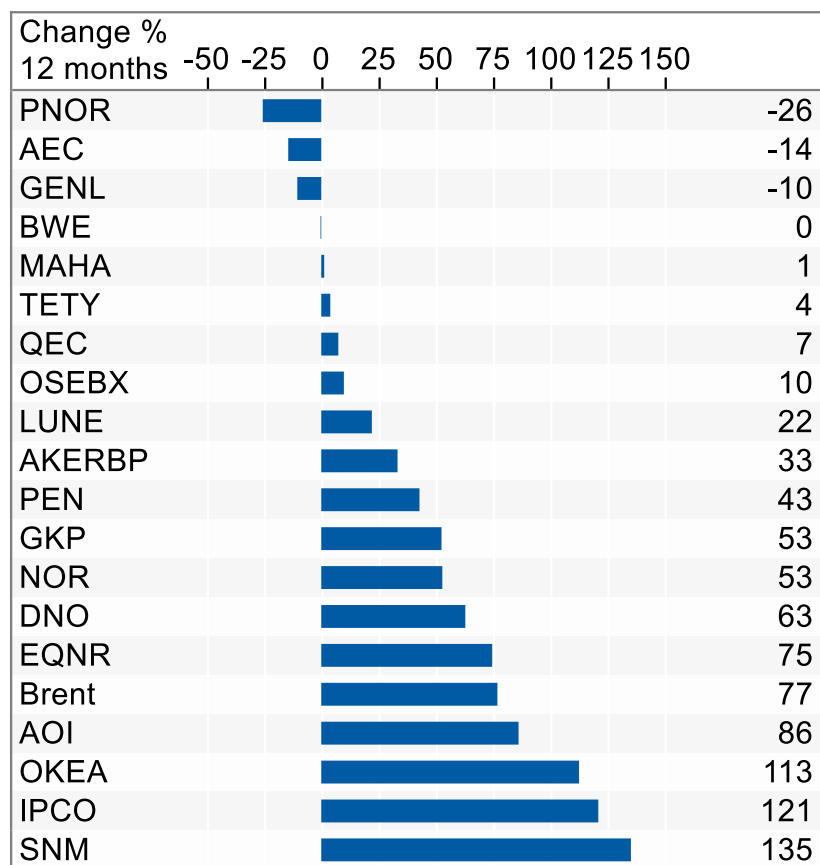


— BWE — MAHA — SNM — DNO — EQNR
 — PNOR — IPCO — QEC — LUNE — OSEBX
 — OKEA — GENL — PEN — AOI — Brent
 — AEC — TETY — NOR — AKERBP

SB1 Markets/Macrobond

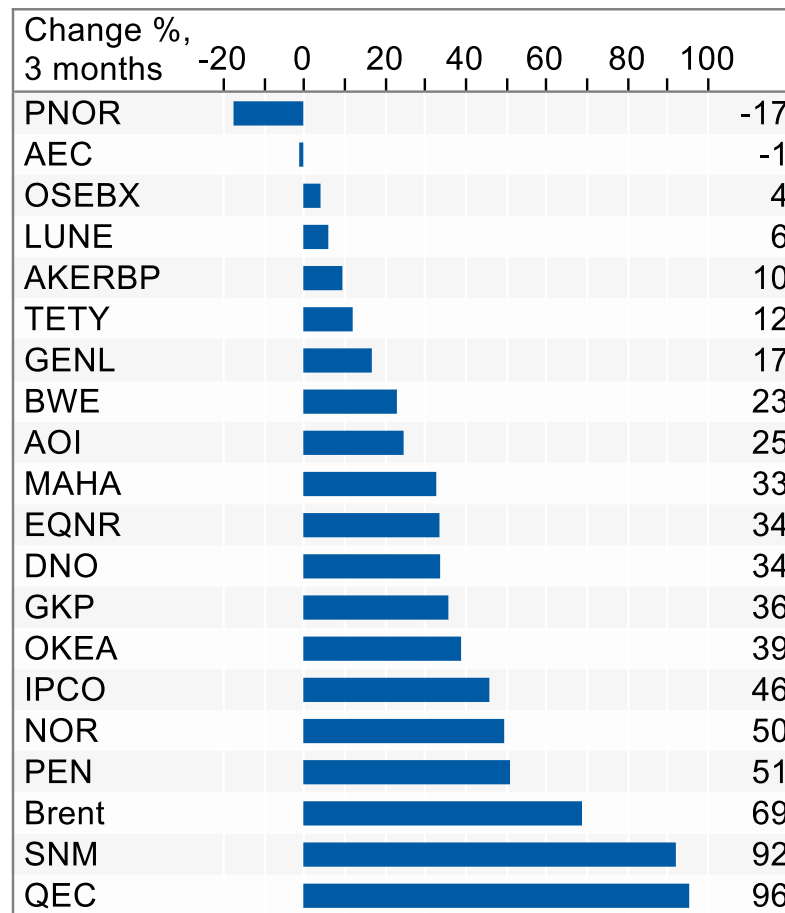
Share price performance coverage universe, ranked

12 months



SB1 Markets/Macrobond

3m



SB1 Markets/Macrobond

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Current recommendations of the Research Department	
Recommendation	Percent
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Neutral	24.9%
Sell	20.9%

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