



# **BlueNord ASA**

**Second Quarter and Half Year Report 2024**



# Highlights of the Quarter

Compared to first quarter 2023

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## Revenue

**\$171m**

1%

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## EBITDA

**\$72m**

-18%

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## Cash flow from operations (excluding tax paid)

**\$57m**

-35%

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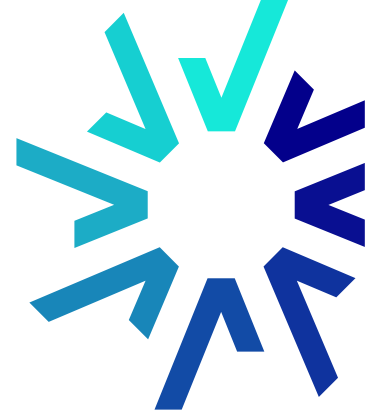
## Total liquidity (cash and undrawn facilities)

**\$406m**

32%

“During the second quarter of 2024, BlueNord achieved several significant milestones that positions our business strongly for the future. Operationally, we produced 24.5 mboe/d and benefitted from the continued contribution of the first Halfdan infill well. This will be supplemented by an additional infill well on Halfdan that was sanctioned during the quarter and will be drilled in the second half of 2024. The Harald East Middle Jurassic well was spudded in June 2024 and we believe this could add up to 8 mmboe net to BlueNord in a success case, with the result due over the summer. This activity is facilitated by having an active drilling rig on the DUC, and we are pleased to announce that the Shelf Drilling Winner rig contract has been extended by 17 months beyond its current expiry in March 2025. We expect gas export from Tyra to partially resume imminently and plateau production to be reached in Q4 of this year according to the operator’s plan. From a corporate perspective, we successfully completed the capital structure reset that we announced earlier in the year with an upsized USD 1.4 billion RBL facility and the issue of a new USD 300 million unsecured bond. This positions us well for the second half of the year where, with Tyra at plateau and all covenants now consistent with the distribution policy we have announced, we expect to start the material return of capital to shareholders.”

Euan Shirlaw, Chief Executive Officer



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# Introduction



01



# Second Quarter 2024 Summary

## Operational:

- Strong operating performance, with hydrocarbon production of 24.5 mboepd in the second quarter which is within the range of BlueNord's quarterly guidance of 23.0-26.0 mboepd.
- The Tyra West facility is ready to start-up with all the wells now unplugged, and more than 50% of the Tyra East wells also unplugged. The hook-up and commissioning are complete on the Tyra satellites, Roar, Tyra South East and Valdemar.
- The operator's schedule for the repair of the transformer is in line with Q4 plateau production. Harald production to partially resume in July and will initially support the Tyra commissioning and hence only minor additional export volumes are expected. Other temporary production modes being investigated.
- Drilling operations commenced 17 June with successful spudding of Harald East Middle Jurassic Well.
- Approval of 17 months firm extension from March 2025 to the drilling service contract for the use of the Shelf Drilling Winner jack-up rig.

## Financial and Corporate:

- Total revenues of USD 170.8 million in the second quarter and USD 339.3 million for the first half 2024.
- EBITDA of USD 72.2 million in the second quarter and USD 159.9 million in the first half of 2024.
- Cash flow from operations<sup>2)</sup> of USD 57.4 million in the second quarter and USD 145.8 million for the first half and net cash flow from operating activities of USD 50.1 million in the second quarter and USD 126.9 million for the first half 2024.
- Total liquidity of USD 406.0 million at the end of the period with cash on balance sheet of USD 136.0 million and undrawn RBL capacity of USD 270.0 million.
- Closing of amended USD 1.4 billion Reserve Based Lending Facility ("RBL" or "Facility") with a maturity in December 2029.
- Successful placement and settlement on 2 July of a new 5-year senior unsecured bond issue of USD 300 million and full redemption of BNOR14 bonds of USD 175 million.
- Appointment of Miriam Jager Lykke as Chief Operating Officer.
- Glen Ole Rødland elected as new Chair of BlueNord at the AMG on 14 May 2024.

Financial and operational summary	Unit	Q2 2024	Q1 2024	Q2 2023 <sup>3)</sup>	YTD 2024	YTD 2023 <sup>3)</sup>
Total revenue	USDm	170.8	168.5	190.7	339.3	411.2
<b>EBITDA<sup>1)</sup></b>	<b>USDm</b>	<b>72.2</b>	<b>87.7</b>	<b>98.7</b>	<b>159.9</b>	<b>220.2</b>
<b>Result before tax</b>	<b>USDm</b>	<b>10.6</b>	<b>8.1</b>	<b>50.3</b>	<b>18.8</b>	<b>143.6</b>
Net result for the period	USDm	(1.3)	(4.6)	26.3	(5.9)	74.9
Cash flow from operations <sup>1)2)</sup>	USDm	57.4	88.4	99.3	145.8	257.4
Net Cash flow from operating activities <sup>1)</sup>	USDm	50.1	76.8	58.9	126.9	217.0
Investments in oil and gas assets	USDm	56.9	64.1	80.9	121.0	141.5
Abandonment spent <sup>1)</sup>	USDm	4.4	10.9	5.1	15.3	6.6
Reserve-based lending facility, drawn	USDm	880.0	850.0	800.0	880.0	800.0
Net interest-bearing debt <sup>1)</sup>	USDm	1,156.5	1,095.7	910.0	1,156.5	910.0
Oil production	mboepd	18.0	17.9	18.0	17.9	18.9
Gas production	mboepd	6.5	5.6	5.7	6.1	6.2
<b>Total production<sup>4)</sup></b>	<b>mboepd</b>	<b>24.5</b>	<b>23.5</b>	<b>23.7</b>	<b>24.0</b>	<b>25.1</b>
Over/under-lift	mboepd	0.8	(1.1)	3.4	(0.1)	1.6
Realised Oil price	USD/boe	84.5	86.0	79.3	85.2	81.7
+/- Effect of hedges	USD/boe	(11.4)	(13.0)	(16.5)	(12.1)	(18.2)
<b>Effective Oil price</b>	<b>USD/boe</b>	<b>73.1</b>	<b>73.0</b>	<b>62.7</b>	<b>73.1</b>	<b>63.5</b>
Realised Gas price	EUR/MWh	26.3	35.0	36.8	18.6	40.7
+/- Effect of hedges	EUR/MWh	4.8	25.0	34.1	25.7	44.2
<b>Effective Gas price</b>	<b>EUR/MWh</b>	<b>31.1</b>	<b>60.0</b>	<b>70.9</b>	<b>44.4</b>	<b>84.9</b>

1) See the description of "Alternative performance measures" at the end of this report for definitions.

2) Cash flow from operations is defined as Net Cash flow from operating activities excluding tax payments.

3) Restated. The comparative information is restated on account of correction of errors. See note 10 in the Annual Report 2023.

4) Q2 2024 Includes estimated production and operating efficiency for the last days in June, will be updated with actuals in Q3 2024.



# Financial Review

## Selected data from consolidated statement of comprehensive income

USD million	Q2 2024	Q1 2024	Q2 2023 <sup>1)</sup>	YTD 2024	YTD 2023 <sup>1)</sup>
Total revenue	170.8	168.5	190.7	339.3	411.2
EBITDA	72.2	87.7	98.7	159.9	220.2
EBIT	40.7	58.5	73.7	99.2	169.2
Result before tax	10.6	8.1	50.3	18.8	143.6
Net result for the period	(1.3)	(4.6)	26.3	(5.9)	74.9
Earnings per share	(0.0)	(0.2)	1.0	(0.2)	2.9

1) Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

**Revenues** of USD 170.8 million in the second quarter of 2024, mainly related to oil and gas sales from the Danish Underground Consortium (DUC) fields, compared to USD 168.5 million in the previous quarter. The increase compared to last quarter was mainly related to increased oil volumes of 21.8 percent and gas volumes of 16.3 percent. Offset partly by lower realised gas prices net of hedging, with decrease of 48.1 percent.

**Production expenses:** In the current quarter USD 74.5 million was directly attributable to the lifting and transport of the Company's oil and gas production, equating to USD 33.4 per boe, compared to USD 70.9 million in the previous quarter, equating to USD 33.2 per boe. The increase was related to increased study costs and higher transportation costs. Due to uncertainties related to the gas production forecast for second quarter for Tyra, the transportation cost was impacted by a one-off penalty on gas nominations. Adjusted for concept studies, insurance and changes in stock and oil inventory, total production expenses amounted to USD 89.8 million compared to USD 72.3 million in the previous quarter.

**Operating result before depreciation, amortisation and impairment (EBITDA)** in the second quarter of 2024 was a profit of USD 72.2 million, compared to USD 87.7 million in previous quarter. This decrease mainly relates to lower effective gas prices offset partly by increased oil and gas volumes. Higher volumes led to increased total operating expenses in absolute terms, notably changes in oil inventory (overlift). In addition, there is some increased study costs, transportation costs and stock.

**Net Financial items** amounted to an expense of USD 30.1 million for the second quarter of 2024, compared to an expense of USD 50.3 million in the previous quarter. Mainly influenced by the positive effect on the fair value adjustment related to embedded derivatives on BNOR15 compared to negative effect in previous quarter. Offset partly by value adjustment of amortised cost related to the amendment of RBL facility and reduced net foreign exchange gain in the current quarter compared to the previous quarter.

**Income tax** amounted to USD 11.9 million for the second quarter of 2024 compared to USD 12.7 million for the previous quarter. The increase in income tax is primarily due to change in operating results. YTD 2024 current income tax amounted to an income of USD 62.9 million and deferred tax movements amounted to a cost of USD 88.8 million, which corresponds to a statutory tax rate of 64 percent on result before tax on hydrocarbon income, adjusted for investment uplift and interest restriction as well as currency adjustment of tax losses carried forward in DKK. Effective 0 percent tax on result before tax in Norway and UK and effective 22 percent tax on result before tax on ordinary income in Denmark.

**Net result** for the second quarter of 2024 was a loss of USD 1.3 million, compared to USD 4.6 million loss in the previous quarter.



## Selected data from the consolidated statement of financial position

USD million	30.06.2024	31.03.2024	30.06.2023 <sup>1)</sup>
Total non-current assets	3,030.5	3,080.6	2,782.3
Total current assets	297.2	324.3	556.9
Total assets	3,327.7	3,404.9	3,339.3
Total equity	774.3	780.7	786.2
Interest bearing debt	1,218.4	1,205.2	1,124.6
Asset retirement obligations	1,058.8	1,050.3	975.5
Total current liabilities	108.1	105.8	113.5

1) Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

**Total non-current assets** amounted to USD 3.0 billion at the end of the second quarter of 2024 compared to USD 3.1 billion in the previous quarter. Decreased due to decrease in deferred tax asset, offset by increase in property, plant and equipment. Total non-current assets consist of property, plant and equipment of USD 2.5 billion, intangible assets of USD 148.4 million, deferred tax asset of USD 169.7 million, derivatives related to the gas hedges of USD 1.8 million and USD 215.2 million in restricted cash, relating to cash pledged to TotalEnergies as security for DUC cash call obligations and security against Nini/Cecilie abandonment costs.

**Total current assets** amounted to USD 297.2 million at the end of the second quarter of 2024 compared to USD 324.3 million at the end of the previous quarter. Decrease in derivative instruments assets due to settlement of gas hedges and due to unwinding of the interest swap contract. In addition, oil inventory and cash have decreased, offset by increased stock inventory and trade receivables. Total current assets consist of USD 16.3 million in derivatives related to oil and gas hedges, USD 61.6 million in trade receivables, mainly related to oil and gas revenue, USD 14.2 million in prepayments mainly related to insurance, USD 136.0 million of cash and USD 63.9 million of stock and oil inventory.

**Total equity** amounted to USD 774.3 million at the end of the second quarter of 2024, compared to USD 780.7 million at the end of the previous quarter. Decrease in equity was mainly related to negative fair value adjustment of hedges loss for the period, partly offset by issue of new shares and sale of treasury shares in relation to exercise of share options.

**Interest-bearing debt** amounted to USD 1.2 billion at the end of the second quarter of 2024, which is at the same level as the end of the previous quarter. The convertible bond loan BNOR15 had a book value of USD 216.8 million at the end of the current quarter. BlueNord's new USD 1.4 billion RBL facility, drawn at USD 880.0 million on 30 June 2024 and with maximum cash drawing capacity of USD 1.15 billion, had a book value of USD 831.3 million at the end of the second quarter, this includes a drawn down of USD 30.0 million and USD 5.6 million due to value adjustment of amortised cost related to amended RBL facility, offset by USD 30.4 million in transaction costs. For more information about the new RBL facility, see note 11. The senior unsecured bond loan BNOR14 had a book value of USD 170.2 million at the end of the period. BNOR14 is classified as current liability due to the call option on 14 June to redeem all outstanding bonds.

**Asset retirement obligations** amounted to USD 1,058.8 million at the end of the second quarter of 2024, compared to USD 1,050.3 million at the end of the previous quarter. The increase is primarily due to accretion expense for the period, offset by abandonment paid in the period. USD 993.1 million relates to the DUC assets, USD 62.3 million to Nini/Cecilie, USD 1.5 million to Lulita and USD 1.9 million to the Tyra F-3 pipeline. The Nini/Cecilie asset retirement obligation is secured through an escrow account of USD 62.3 million.

**Total current liabilities** amounted to USD 372.1 million at the end of second quarter of 2024 compared to USD 415.1 million last quarter. Decrease mainly related to reclassification of USD 125 million to non-current liability due to refinancing of the RBL facility. In addition, decrease in tax payable, due to updated tax payable assessment for 2023, derivative liability due to settlement of hedges during the quarter and trade payables. Total current liabilities consist of USD 170.2 million related to unsecured bonds loan BNOR14, USD 54.0 million in taxes payable, USD 35.9 million of current derivatives related to oil price hedges (non-current derivatives amounted to USD 76.8 million, of which USD 59.2 million related to embedded derivatives and USD 17.5 million related to oil price hedges), USD 53.4 million in liabilities to DUC operator, USD 13.6 million related to VAT payable, USD 34.2 million in accrued cost including accrued interest expenses, over-lift of oil USD 6.6 million and USD 0.5 million related to trade payables.

## Selected data from the consolidated statement of cash flows

USD million	Q2 2024	Q1 2024	Q2 2023 <sup>1)</sup>	YTD 2024	YTD 2023 <sup>1)</sup>
Cash flow from operations <sup>1)</sup>	57.4	88.4	99.3	145.8	257.4
Net cash flow from operating activities	50.1	76.8	58.9	126.9	217.0
Cash flow used in investing activities	(61.3)	(73.5)	(86.0)	(134.8)	(174.5)
Cash flow from financing activities	(10.5)	(12.3)	(16.7)	(22.8)	(26.2)
Net change in cash and cash equivalents	(21.7)	(9.0)	(43.8)	(30.7)	16.4
Cash and cash equivalents	136.0	157.7	284.7	136.0	284.7

1) Cash flow from operations is defined as Net Cash flow from operating activities excluding tax payments.

**Net Cash flow from operating activities** amounted to USD 50.1 million for the second quarter of 2024, compared to USD 76.8 million for the previous quarter. Decrease related to increased production costs, lower gas prices net of hedging, partly offset by increased oil and gas volumes, slightly higher operating costs and higher cash calls leading to a higher working capital movement this quarter. Cash flow from operations (excluding tax payments) amounted to a cash flow of USD 57.4 million for the second quarter, compared to USD 88.4 million for the previous quarter. Current quarter had a higher negative effect from working capital of USD 17.0 million compared to USD 2.0 million in previous quarter, this includes changes on trade receivable, trade payables, prepayments and inventories. Net Cash flow from operating activities excluding changes in working capital amounted to a cash inflow of USD 67.1 million for the second quarter of 2024, compared to cash outflow of USD 78.8 million for the previous quarter.

**Cash flow used in investing activities** amounted to an outflow of USD 61.3 million for the quarter, compared to USD 73.5 million for the previous quarter. The cash flow used in investing activities was mainly related to investments in the DUC asset of which USD 49.6 million related to the Tyra Redevelopment project, USD 3.6 million related to drilling of the Harald East Middle Jurassic well, USD 2.2 million related to Gorm life extension work and USD 1.5 million related to other minor projects. In addition, USD 4.4 million in abandonment costs mainly related to decommissioning of Dan Echo wells.

**Cash flow from financing activities** amounted to an outflow of USD 10.5 million for the second quarter of 2024, compared to USD 12.3 million for the previous quarter. The cash outflow in the current quarter was related to interest payments on the RBL facility and BNOR14, in addition to transaction cost related to the RBL refinancing of USD 30.4 million. Offset by drawdown of USD 30 million on the new RBL facility, issue of new shares and sale of treasury shares in relation to exercise of share options.

**Net change in cash and cash equivalents** amounted to negative USD 21.7 million at the end of the quarter compared to USD 9.0 million for the previous quarter. Cash and cash equivalents were in total USD 136.0 million at the end of second quarter 2024.



## Financial Risk Mitigation

The Company actively seeks to reduce exposure to the risk of fluctuating commodity prices, in addition to interest rate and foreign exchange risk as required, through the establishment of hedging arrangements. To achieve this, BlueNord has executed a hedging policy in the market and entered into forward contracts. More details on BlueNord's hedging policy can be found in note 13.4 as well as further detail on BlueNord's financial risk management is outlined in note 2 to the financial statements in the 2023 Annual Report which is available at [www.bluenord.com/reports-and-presentations/](http://www.bluenord.com/reports-and-presentations/).

During Q2 2024 the company entered foreign exchange hedges to secure fixed USD to DKK exchange rates at a nominal amount of USD 32.6 million equivalent to DKK 225 million, for selected future payments in relation to taxes, VAT and cash calls related to the Company's forecast cash-flows.

The table below summarises the quantity of volume hedged and average price at the end of the second quarter.

	Volume hedged oil (boe)	Average hedged price (\$/bbl)	Volume hedged gas (MWh)	Average hedged price (EUR/MWh)
2024 (Q3-Q4)	2,034,000	73.3	1,170,000	42.0
2025	3,600,000	74.5	3,435,000	36.4
2026	1,500,000	73.5	1,410,000	33.0



# Operational Review

## Production

Key figures	Unit	Q2 2024 <sup>1)</sup>	Q1 2024	Q2 2023 <sup>3)</sup>	YTD 2024 <sup>1)</sup>	YTD 2023 <sup>3)</sup>
Dan hub	mboepd	7.4	7.8	7.0	7.6	7.6
Gorm hub	mboepd	4.5	4.0	4.3	4.2	4.3
Halfdan hub	mboepd	12.9	11.9	12.3	12.4	13.2
Tyra hub	mboepd	(0.3)	(0.2)	-	(0.2)	-
<b>Total production</b>	<b>mboepd</b>	<b>24.5</b>	<b>23.5</b>	<b>23.6</b>	<b>24.0</b>	<b>25.1</b>
Over/under-lift	mboepd	0.8	(1.1)	3.4	(0.1)	1.6
<b>Net sales</b>	<b>mboepd</b>	<b>25.3</b>	<b>22.4</b>	<b>27.1</b>	<b>23.9</b>	<b>26.7</b>
Oil sales	mboepd	18.8	16.8	21.4	17.8	20.5
Gas sales	mboepd	6.5	5.6	5.7	6.1	6.2
<b>Operating efficiency<sup>2)</sup></b>	<b>%</b>	<b>90.3 %</b>	<b>90.2 %</b>	<b>79.1 %</b>	<b>90.2 %</b>	<b>84.0 %</b>

1) Includes estimated production and operating efficiency for the last days in June, will be updated with actuals in Q3 2024.

2) Operating efficiency is calculated as: delivered production / (delivered production + planned shortfalls + unplanned shortfalls)

3) Production and operating efficiency updated with actuals. Numbers published in Q2 2023 included estimates end of June due to early cut off.

Average production in Q2 2024 was 24.5 mboepd which is within the Q2 guidance of 23.0-26.0 mboepd. In this quarter, production tests have confirmed that the new Halfdan infill well, HBA-27B, which came online late March is producing in line with expectations. Further, it has been established that the gas export route through Tyra to the Nybro plant in Denmark is now operational. This was demonstrated on 11-17 June where the Nogat pipeline was closed in due to planned pigging. During this period all gas was exported through the Tyra facilities to Denmark.

### Dan hub

In April and May Dan production was very stable, with an average operating efficiency of 95%. While the production potential was maintained in June, shortfalls were experienced mainly due to an issue on the Fredericia plant over the weekend 14-16 June, and successful planned maintenance of the Dan FG IP/HP compressor. Further, planned wellhead maintenance on several Dan wells was performed in June.

### Gorm hub

On the Gorm hub, the SGPA project (Skjold partial gas depletion pilot) is ongoing, with water injection reduced by ca. 40 mbwpd as planned. The depletion response from the reduced injection is expected to be seen within the coming months. However, the slight delay of the SGPA project means we to date have seen less production from the Skjold field than expected.

Planned maintenance on the gas module was successfully carried out from 25 April – 2 May with an associated close in of production from the hub during this period. Since 21 May the Gorm IP-B compressor has been stopped due to a rupture disc burst, thereby leading to production losses of ca. 600 boepd (net BlueNord). The issue is expected to be solved early July.

### Halfdan hub

The Halfdan production in April and May was very good, with an average operating efficiency of 95%. As for the remaining hubs, shortfalls were experienced in June due to the production ramp-down caused by the issue at the Fredericia plant over the weekend 14-16 June.

The Halfdan infill well HBA-27B, which started production late Q1 2024, was production tested several times in April and May. The well tests confirmed that the performance of the well is in line with expectations.

The Halfdan WROM campaign which is performing well optimisations from the rig Noble Reacher is ongoing. To date optimisations have been performed on wells from the HDA platform, with successful completion of 6 out of the 28 planned optimisation jobs.

#### Tyra hub

See further details regarding Tyra status below.

### Field Development

#### Tyra Redevelopment Q2 2024 Highlights

During the first quarter of 2024, the Tyra facilities were re-started. On 16 March, Dan gas was introduced to the Tyra facilities and on 21 March gas was exported to the Danish Nybro facility which defined the restart of the Tyra facilities. The first gas from Tyra was received at Nybro on 28 March which defined the REMIT date. On 25 March, gas was introduced from the Tyra satellite field Harald, which marked the restart of production from Tyra following the shut-in for re-development since 2019. On 10 April, gas export commenced from Harald through the Tyra facilities.

During the second quarter, work has progressed well. The Tyra West facilities are now ready for start-up with all hook-up and commissioning activities safely completed. Tyra West wells are all unplugged, and more than 505 of the Tyra East wells are unplugged and good progress is made with the unplugging on schedule. The hook-up and commissioning are complete on the Tyra satellites, Roar, Tyra South East and Valdemar.

As communicated via REMIT by the operator on 18 April, during export of Harald gas, an incident relating to the transformer on the IP compressor occurred. This is temporarily impacting the production of hydrocarbons from Tyra and the satellites through the new Tyra facilities. On 8 July the company announced that a technical issue occurred with the Low Pressure (LP) compressor transformer. The schedule for the repair of the transformers is in line with Q4 plateau production. Commissioning continues and good progress is being made to commission the remaining equipment. Export from Harald is expected to resume in July 2024 and will initially support the Tyra commissioning and hence only minor additional export volumes are expected. The TotalEnergies teams are working to resolve the issues as well as identifying temporary solutions to partially ramp-up production.

#### Satellite fields and wells

- Harald gas export to Tyra and Nybro achieved
- Tyra South East, Roar and Valdemar hook-up and commissioning complete
- Tyra West facilities and well re-instatement complete
- Tyra East well re-instatement over 50% complete

#### TEG Commissioning

- Commissioning progress 92.5%
- Leak Testing complete on Tyra East and Tyra West
- Second gas export train successfully run

#### Next steps towards ramp-up

- Repair of the Tyra IP transformer
- Partial resumption of production from Harald
- Introduction of gas from Tyra South East, Roar and Valdemar





Tyra gas-in



TWB Wells Hook-up complete

### Infill drilling

The Harald East Middle Jurassic well was successfully spudded by the jack-up rig Shelf Drilling Winner in June 2024. The well will be drilled from the Harald platform, located close to the Norwegian border and the target is gas in the middle Jurassic sandstones. In a success case, the well could deliver production by the end of 2024 and the reserves from the well may be up to is 8 mmboe net to BlueNord of which 80% is gas. The target in the Middle Jurassic sandstone is expected with a wide range of subsurface uncertainties and risk associated with the outcome of hydrocarbon volumes.

Final Investment Decision (FID) was taken in June 2024 covering the first of two new infill wells currently planned to be drilled in the Ekofisk formation of the Halfdan main field. The well will be utilizing one of the existing slots on the Halfdan A location and the plan is to spud the well in the fourth quarter of 2024 after finalizing the drilling of the Harald East middle Jurassic well. The expected incremental production from the well is close to 2 mmboe net to BlueNord of which 60% is gas.



The rig Shelf Drilling Winner alongside the Harald platform to drill the Harald East Middle Jurassic Well

## Health, Safety and the Environment

BlueNord will conduct its business operation in full compliance with all applicable national legislation in the countries where it is operating. The Company is committed to carry out its activities in a responsible manner to protect people and the environment. Our fundamentals of HSEQ and safe business practice are an integral part of BlueNord's operations and business performance.

BlueNord puts emphasis on its employees performing company activities in line with the principles of business integrity and with respect for people and the environment.

At BlueNord we work actively to reduce our carbon footprint while contributing to energy security. BlueNord is currently assessing further emissions reduction initiatives for its currently producing assets and for future activities.

In January 2024 BlueNord acquired 100 percent of the shares in CarbonCuts, an early-stage CCS company in Denmark. BlueNord has been involved since 2022 by providing financial, technical and commercial support for an early-stage feasibility study for onshore CO<sub>2</sub> storage. In January 2024 CarbonCuts submitted a license application to the Danish Energy Agency to explore and store CO<sub>2</sub> in the geological Rødby Structure on Lolland with "Project Ruby". And in June 2024, CarbonCuts was successfully awarded the licence to explore the possibility of a future onshore CO<sub>2</sub> storage facility on the island of Lolland. CarbonCuts expects to begin storage in 2030 or earlier following a successful exploration plan. BlueNord is also involved in offshore CCS through Project Bifrost, a partnership between Ørsted, the DUC and DTU.

For more information on the Company's work, including the work of the ESG Committee, please see the Sustainability section page 25 - 43 and ESG Committee Report on page 65 in the 2023 Annual Report available on [www.bluenord.com/reports-and-presentations/](http://www.bluenord.com/reports-and-presentations/).

## Risks and uncertainties

The material known risks and uncertainties faced by BlueNord are described in detail in the section headed 'Risk Management Framework' on page 44 of the 2023 Annual Report which is available at [www.bluenord.com/reports-and-presentations/](http://www.bluenord.com/reports-and-presentations/). These have not changed materially since publication. There are several risks and uncertainties that could have a material impact on BlueNord's performance and financial position.

Key headline risks relate to the following:

- Oil and gas production and reserves
- Project delivery, including Tyra redevelopment project
- Decommissioning estimates
- Financial risks including, commodity prices, foreign currency exposure, access to capital and interest rate risk
- Cyber security
- Changes in environmental and tax legislation

## Governance and organization

The number of employees was 44 at the end of the second quarter.

The governance of BlueNord ASA is described in detail in the section headed 'Governance report' on page 53 - 71 of the 2023 Annual Report which is available at [www.bluenord.com/reports-and-presentations/](http://www.bluenord.com/reports-and-presentations/).



## Outlook

BlueNord has built a stable business that is underpinned by the Company's position in the DUC. BlueNord remains well positioned going forward to navigate global events and potentially unforeseen challenges as well as any future oil- and gas price volatility through business and IT continuity plans, price hedging arrangements and pro-active steps taken by the operator of the DUC.

As a response to the challenges in the European gas markets, BlueNord has together with its partners in the DUC identified several infill well opportunities. Final Investment Decision ("FID") taken on two infill wells in the Halfdan area with an expected capital investment of c. USD 13 per boe of reserves. FID on additional infill wells is expected during 2024. BlueNord currently expects the capital investment required for the portfolio of infill wells to be less than USD 13 per boe of reserves, however this will be further defined on sanction.

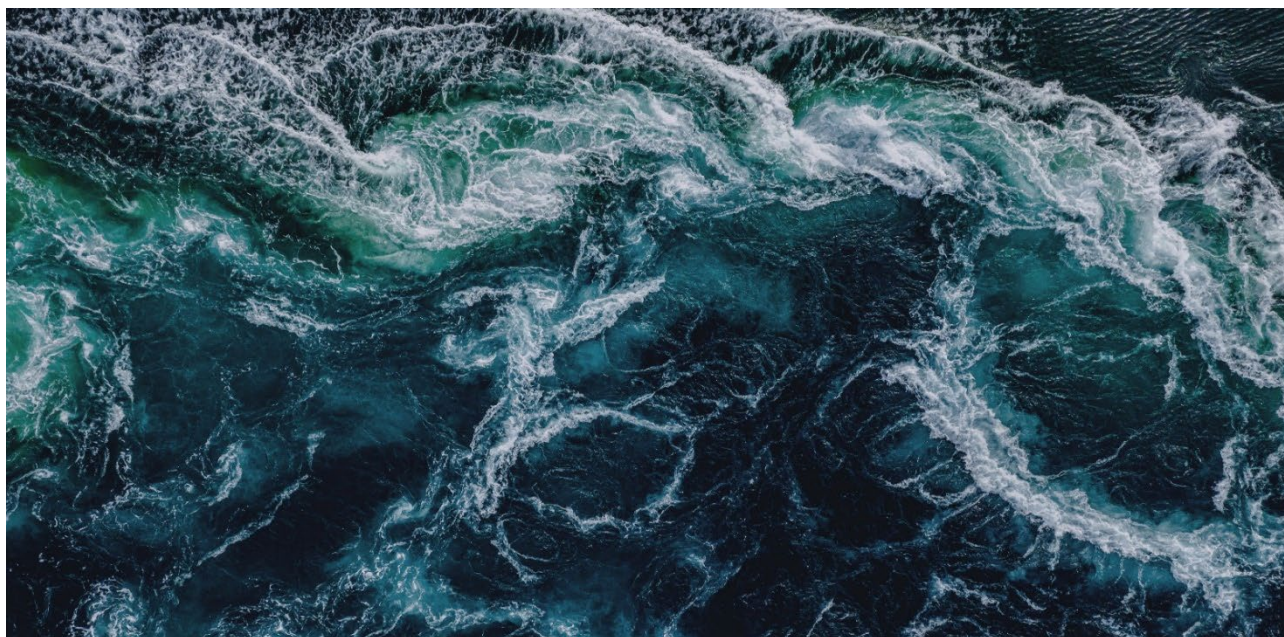
Once onstream, Tyra II will significantly enhance BlueNord's base production, and the Company also expects direct field operating expenditure to decrease below USD 13 per barrel in the first full year of production. Remaining cost on Tyra as of 30 June 2024 is USD 33 million net to BlueNord based on the latest budget received from the Operator.

With the start-up of Tyra, the Company is for 2024 providing separate production guidance on a quarterly basis for its Base Assets (Halfdan, Dan and Gorm) and Tyra. Based on the current status of the investigation and subject to the Operator confirming a viable interim Operating Mode, export from Harald is expected to partially resume in July followed by start-up of additional Tyra satellites. Plateau production is expected to be reached during Q4 based on the operator's current plan. These assumptions are the basis for the Company's Production Guidance for 2024, which is unchanged from the previous quarter.

Guidance 2024	Unit	Base	Tyra	Total	2023
Q3	mboepd	23.0 - 25.0	6.0-11.0	29.0-36.0	24.7
Q4	mboepd	23.0 - 25.0	21.0-25.0	44.0-50.0	24.9

No contribution has been included in the production guidance from the HEMJ well, which was spudded 17 June 2024. In a success case, the well may deliver production from the fourth quarter at an annualised rate in 2024 of 1.5mboe/d.

BlueNord's policy is to distribute 50-70% of Net Operating Cashflow in shareholder returns for 2024-26. Our policy is to aim for maintaining a meaningful returns profile from 2027 onwards.





# Report for First Half 2024

Key figures	Unit	YTD 2024	YTD 2023
Total production	mboepd	24.0	25.1
Effective Oil price	USD/boe	73.1	63.5
Effective Gas price	EUR/MWh	44.4	84.9
Total revenue	USDm	339.3	411.2
EBITDA	USDm	159.9	220.2
Net result for the period	USDm	(5.9)	74.9
Net cash flow from operating activities	USDm	126.9	217.0
Total liquidity	USDm	406.0	484.7
Net interest-bearing debt	USDm	1,156.5	910.0

**Net production** of 24.0 mboepd in the first half of 2024, was in the higher range of BlueNord's annual guidance for the base assets (excluding Tyra). This compared to 25.1 mboepd for the same period in 2023. Main reason for the reduced production is the natural decline, primarily on Halfdan.

**Effective Oil price** of 73.1 USD/boe for the first half of 2024 compared to 63.5 USD/boe for the same period last year. The increase was related to the current commodity prices level.

**Effective Gas price** of 44.4 EUR/MWh for the first half of 2024 compared to 84.9 EUR/MWh for the same period last year. The decrease was related to hedges in place in 2023 at favourable prices.

During the first six months of 2024, the company reported **consolidated revenues** of USD 339.3 million compared to USD 411.2 million for the same period last year. Lower comparable revenue was a function of both decreased production volumes and effective commodity prices.

**Production cost** for oil and gas sold was USD 162.1 million in the first half of 2024 compared to USD 175.2 million for the same period last year. The decrease compared to last year is mainly due to reduced activity on well workovers.

**Operating result before depreciation, amortisation and impairment (EBITDA)** amounted to USD 159.9 million for the first half of 2024 compared to USD 220.2 million for the same period last year. **Net result** for the first half year 2024 was negative USD 5.9 million compared to a net profit of USD 74.9 million for the first half year 2023.

**Cash flow from operating** activities amounted to USD 126.9 million in the first half of 2024 compared to USD 217.0 million in the same period last year. The decrease is mainly related to lower revenue and changes in working capital, this is partly offset by lower production cost in 2024. 2023 includes a repayment of tax benefit related to chapter 3b in June.

**Total liquidity** of USD 406.0 million at the end of the first half of 2024 with cash on balance sheet of USD 136.0 million and undrawn RBL capacity of USD 270 million.

As of 30 June 2024, the company had **net interest-bearing debt** of USD 1,156.5 million.

# Responsibility Statement

Today, the Board of Directors and the Chief Executive Officer reviewed and approved the BlueNord ASA condensed consolidated financial statements as of 30 June 2024.

To the best of our knowledge, we confirm that:

- the BlueNord ASA condensed consolidated financial statements for 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union (EU), and additional Norwegian disclosure requirements in the Norwegian Accounting act, and that
- the report has been prepared in accordance with applicable financial reporting standards, and that
- the information presented in the financial statements gives a true and fair view of the Group's assets, liabilities, financial position and results for the period viewed, and that
- the report, together with the yearly report, gives a true and fair view of the development, performance, financial position, principal risks and uncertainties of the Group.

Oslo, 9 June 2024.

**Glen Ole Rødland**  
Executive Chair

**Tone Kristin Omsted**  
Board Member

**Marianne Lie**  
Board Member

**Robert J McGuire**  
Board Member

**Peter Coleman**  
Board Member

**Euan Shirlaw**  
Chief Executive Officer

# Financial Statements



02



# Condensed Consolidated Statement of Comprehensive Income

USD million	Note	Q2 2024	Q1 2024	Q2 2023 <sup>1)</sup>	YTD 2024	YTD 2023 <sup>1)</sup>
<b>Total revenues</b>	<b>2</b>	<b>170.8</b>	<b>168.5</b>	<b>190.7</b>	<b>339.3</b>	<b>411.2</b>
Production expenses	3	(89.8)	(72.3)	(82.9)	(162.1)	(175.2)
Exploration and evaluation expenses		0.0	(0.3)	(0.2)	(0.2)	(0.5)
Personnel expenses		(5.2)	(4.3)	(3.9)	(9.5)	(7.8)
Other operating expenses		(3.7)	(3.9)	(5.0)	(7.6)	(7.6)
<b>Total operating expenses</b>		<b>(98.6)</b>	<b>(80.8)</b>	<b>(92.0)</b>	<b>(179.3)</b>	<b>(191.0)</b>
<b>Operating result before depreciation, amortisation and impairment (EBITDA)</b>		<b>72.2</b>	<b>87.7</b>	<b>98.7</b>	<b>159.9</b>	<b>220.2</b>
Depreciation/amortisation/impairment	7	(31.5)	(29.2)	(25.0)	(60.7)	(51.0)
<b>Net operating result (EBIT)</b>		<b>40.7</b>	<b>58.5</b>	<b>73.7</b>	<b>99.2</b>	<b>169.2</b>
Financial income	4	16.6	7.4	7.4	13.6	13.9
Financial expenses	4	(46.7)	(57.7)	(30.8)	(94.0)	(39.6)
<b>Net financial items</b>		<b>(30.1)</b>	<b>(50.3)</b>	<b>(23.4)</b>	<b>(80.4)</b>	<b>(25.6)</b>
<b>Result before tax (EBT)</b>		<b>10.6</b>	<b>8.1</b>	<b>50.3</b>	<b>18.8</b>	<b>143.6</b>
Income tax benefit/(expense)	5	(11.9)	(12.7)	(24.0)	(24.7)	(68.7)
<b>Net result for the period<sup>2)</sup></b>		<b>(1.3)</b>	<b>(4.6)</b>	<b>26.3</b>	<b>(5.9)</b>	<b>74.9</b>
<b>Other comprehensive income:</b>						
Items that are or may be subsequently reclassified to profit or loss:						
Realised cash flow hedge revenue	13	15.5	(14.8)	(3.3)	0.7	(10.7)
Realised cash flow hedge financial items	13	(10.8)	(10.2)	(7.8)	(21.0)	(15.2)
Related tax - realised cash flow hedge	5, 13	(7.5)	11.7	3.9	4.1	10.2
Changes in fair value cash flow hedge	13	(18.6)	(41.8)	28.9	(60.5)	91.9
Related tax - changes in fair value cash flow hedge	5, 13	11.8	27.0	(15.7)	38.8	(55.1)
Currency translation adjustment		(0.5)	(1.1)	0.3	(1.5)	1.0
<b>Total other comprehensive income</b>		<b>(10.1)</b>	<b>(29.2)</b>	<b>6.2</b>	<b>(39.3)</b>	<b>22.1</b>
<b>Total comprehensive income<sup>2)</sup></b>		<b>(11.4)</b>	<b>(33.8)</b>	<b>32.5</b>	<b>(45.2)</b>	<b>97.1</b>
Basic earnings/(loss) USD per share		(0.0)	(0.2)	1.0	(0.2)	2.9
Diluted earnings/(loss) USD per share		(0.1)	(0.2)	1.0	(0.2)	2.7
Weighted average no. of shares outstanding, basic		26,180,323	26,105,328	26,064,882	26,142,825	25,995,625
Weighted average no. of shares outstanding, diluted		30,907,191	30,925,657	32,466,853	30,869,693	32,397,596

1) Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

2) 100 percent attributable to equity holders of the parent company.

# Condensed Consolidated Statement of Financial Position

USD million	Note	30.06.2024	31.03.2024	31.12.2023	30.06.2023*
<b>Non-current assets</b>					
Intangible assets	6	148.4	150.1	151.6	155.0
Deferred tax assets	5	169.7	245.1	218.5	193.6
Property, plant and equipment	7	2,491.6	2,464.5	2,427.9	2,217.7
Right of Use asset		1.7	1.3	1.4	1.9
Restricted bank deposits	10, 13	215.2	214.4	213.9	207.9
Receivables non-current	8	-	-	3.7	2.3
Derivative instruments	13	1.8	3.1	14.0	4.0
<b>Total non-current assets</b>		<b>3,030.5</b>	<b>3,080.6</b>	<b>3,031.0</b>	<b>2,782.3</b>
<b>Current assets</b>					
Derivative instruments	13	16.3	39.3	71.7	121.7
Trade receivables and other current assets	8	80.9	64.3	88.7	97.2
Inventories	9	63.9	62.9	54.7	53.2
Cash and cash equivalents	10	136.0	157.7	166.7	284.7
<b>Total current assets</b>		<b>297.2</b>	<b>324.3</b>	<b>381.9</b>	<b>556.9</b>
<b>Total assets</b>		<b>3,327.7</b>	<b>3,404.9</b>	<b>3,412.9</b>	<b>3,339.3</b>
<b>Equity</b>					
Share capital	15	1.7	1.7	1.7	1.7
Other equity		772.6	779.0	811.9	784.5
<b>Total equity</b>		<b>774.3</b>	<b>780.7</b>	<b>813.6</b>	<b>786.2</b>
<b>Non-current liabilities</b>					
Asset retirement obligations	14	1,055.1	1,043.9	1,033.7	961.6
Convertible bond loans	11, 13	216.8	209.2	201.7	189.3
Bond loan	11, 13	-	173.6	169.1	167.9
Reserve-based lending facility	11, 13	831.3	697.5	695.8	767.4
Derivative instruments	13	76.8	84.0	56.3	43.6
Other non-current liabilities		1.3	1.0	1.1	1.6
<b>Total non-current liabilities</b>		<b>2,181.3</b>	<b>2,209.2</b>	<b>2,157.7</b>	<b>2,131.3</b>
<b>Current liabilities</b>					
Bond loan	11, 13	170.2	-	-	-
Reserve-based lending facility	11, 13	-	125.0	125.0	-
Asset retirement obligations	14	3.7	6.3	15.4	13.9
Tax payable	5	54.0	129.2	140.0	236.8
Derivative instruments	13	35.9	48.8	35.9	57.6
Trade payables and other current liabilities	12	108.1	105.8	125.3	113.5
<b>Total current liabilities</b>		<b>372.1</b>	<b>415.1</b>	<b>441.6</b>	<b>421.8</b>
<b>Total liabilities</b>		<b>2,553.3</b>	<b>2,624.2</b>	<b>2,599.3</b>	<b>2,553.0</b>
<b>Total equity and liabilities</b>		<b>3,327.7</b>	<b>3,404.9</b>	<b>3,412.9</b>	<b>3,339.3</b>

\* Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

# Condensed Consolidated Statement of Changes in Equity

USD million	Share capital	Share premium fund	Treasury share reserve	Currency translation reserve	Cash flow hedge reserve	Other equity	Total equity
<b>2023</b>							
<b>Equity as of 01.01.2023 restated</b>	<b>1.7</b>	<b>768.4</b>	<b>(0.1)</b>	<b>0.5</b>	<b>13.9</b>	<b>(120.2)</b>	<b>664.2</b>
Net result for the period restated						74.9	74.9
<b>Other comprehensive income</b>							
Realised cash flow hedge revenue	-	-	-	-	(10.7)	-	(10.7)
Realised cash flow hedge financial items	-	-	-	-	(15.2)	-	(15.2)
Related tax - realised cash flow hedge	-	-	-	-	10.2	-	10.2
Changes in fair value cash flow hedge	-	-	-	-	91.9	-	91.9
Related tax - changes in fair value cash flow hedge	-	-	-	-	(55.1)	-	(55.1)
Currency translation adjustments	-	-	-	1.0	-	-	1.0
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.0</b>	<b>21.1</b>	<b>-</b>	<b>22.1</b>
Issue of shares	0.0	13.8	-	-	-	-	13.8
Settlement derivatives/conversion bonds <sup>1)</sup>	-	-	-	-	-	8.9	8.9
Share-based incentive program	-	-	-	-	-	2.3	2.3
<b>Total transactions with owners for the period</b>	<b>0.0</b>	<b>13.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.2</b>	<b>25.0</b>
<b>Equity as of 30.06.2023 restated</b>	<b>1.7</b>	<b>782.2</b>	<b>(0.1)</b>	<b>1.5</b>	<b>35.0</b>	<b>(34.1)</b>	<b>786.2</b>
<b>2024</b>							
<b>Equity as of 01.01.2024</b>	<b>1.7</b>	<b>782.9</b>	<b>(0.1)</b>	<b>2.0</b>	<b>24.9</b>	<b>2.2</b>	<b>813.6</b>
Net result for the period						(5.9)	(5.9)
<b>Realised cash flow hedge revenue</b>							
Realised cash flow hedge financial items	-	-	-	-	(21.0)	-	(21.0)
Related tax - realised cash flow hedge	-	-	-	-	4.1	-	4.1
Changes in fair value cash flow hedge	-	-	-	-	(60.5)	-	(60.5)
Related tax - changes in fair value cash flow hedge	-	-	-	-	38.8	-	38.8
Currency translation adjustments	-	-	-	(1.5)	-	-	(1.5)
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.5)</b>	<b>(37.7)</b>	<b>-</b>	<b>(39.3)</b>
Issue of shares	0.0	3.0	-	-	-	-	3.0
Sale of shares	-	-	0.1	-	-	1.4	1.5
Share-based incentive program	-	-	-	-	-	1.4	1.4
<b>Total transactions with owners for the period</b>	<b>0.0</b>	<b>3.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>2.7</b>	<b>5.9</b>
<b>Equity as of 30.06.2024</b>	<b>1.7</b>	<b>786.0</b>	<b>-</b>	<b>0.4</b>	<b>(12.8)</b>	<b>(1.0)</b>	<b>774.3</b>

1) For further information see note 12

# Condensed Consolidated Statement of Cash Flows

USD million	Note	Q2 2024	Q1 2024	Q2 2023 <sup>1)</sup>	YTD 2024	YTD 2023 <sup>1)</sup>
<b>Cash flows from operating activities</b>						
Net result for the period		(1.3)	(4.6)	26.3	(5.9)	74.9
<b>Adjustments for:</b>						
Income tax benefit/(expense)	5	11.9	12.7	24.0	24.7	68.7
Net financial items	4	30.1	50.3	23.4	80.4	25.6
Depreciation/impairment	7	31.5	29.2	25.0	60.7	51.0
Share-based payments expenses		0.5	0.8	1.2	1.4	2.3
Interest received <sup>2)</sup>	4	1.6	1.8	3.0	3.5	5.1
Other financial items paid		(0.0)	0.0	(1.6)	0.0	(2.4)
<b>Changes in:</b>						
Trade receivable	8	(22.8)	17.5	(13.0)	(5.3)	17.1
Trade payables	12	(7.1)	(19.9)	(4.5)	(27.0)	(1.4)
Inventories and spare parts	9	(1.0)	(8.2)	8.5	(9.2)	2.7
Prepayments	8	6.0	4.6	4.9	10.6	8.5
Over/under-lift	8	6.6	2.4	2.7	9.0	5.7
Other current balance sheet items <sup>3)</sup>		1.3	1.7	(0.7)	2.9	(0.5)
<b>Cash flow from operations</b>		<b>57.4</b>	<b>88.4</b>	<b>99.3</b>	<b>145.8</b>	<b>257.4</b>
Tax (paid)/received		(7.3)	(11.5)	(40.4)	(18.8)	(40.4)
<b>Net cash flow from operating activities</b>		<b>50.1</b>	<b>76.8</b>	<b>58.9</b>	<b>126.9</b>	<b>217.0</b>
<b>Cash flows from investing activities</b>						
Long-term loan provided		-	-	-	-	(1.4)
Acquisition of subsidiary, net of cash acquired		-	1.5	-	1.5	-
Deferred consideration	8	-	-	-	-	(25.0)
Investment in oil and gas assets	7	(56.9)	(64.1)	(80.9)	(121.0)	(141.5)
Investment in exploration & evaluation assets		0.0	(0.0)	-	0.0	-
Payments for decommissioning of oil and gas fields		(4.4)	(10.9)	(5.1)	(15.3)	(6.6)
<b>Net cash flow from investing activities</b>		<b>(61.3)</b>	<b>(73.5)</b>	<b>(86.0)</b>	<b>(134.8)</b>	<b>(174.5)</b>
<b>Cash flows from financing activities</b>						
Drawdown long-term liability	11	30.0	-	-	30.0	-
Lease payments		(0.1)	(0.1)	(0.1)	(0.3)	(0.3)
Sale of shares		1.5	-	-	1.5	-
Issue of shares		3.0	-	-	3.0	-
Interests and fees external loan		(44.8)	(12.2)	(16.6)	(57.0)	(25.9)
<b>Net cash flow from financing activities</b>		<b>(10.5)</b>	<b>(12.3)</b>	<b>(16.7)</b>	<b>(22.8)</b>	<b>(26.2)</b>
Net change in cash and cash equivalents		(21.7)	(9.0)	(43.8)	(30.7)	16.4
Cash and cash equivalents at the start of the period		157.7	166.7	328.5	166.7	268.4
<b>Cash and cash equivalents at end of the period</b>		<b>136.0</b>	<b>157.7</b>	<b>284.7</b>	<b>136.0</b>	<b>284.7</b>

<sup>1)</sup> Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

<sup>2)</sup> Excluding interest received from restricted bank accounts

<sup>3)</sup> Mainly currency adjustments balance sheet items



# Notes



03



# Notes

## 1 Accounting principles

BlueNord ASA ("BlueNord", "the Company" or "the Group") is a public limited liability company registered in Norway, with headquarters in Oslo (Nedre Vollgate 3, 0158 Oslo). The Company has subsidiaries in Norway, Denmark, the Netherlands and the United Kingdom. The Company is listed on the Oslo Stock Exchange.

### Basis for preparation

The interim condensed consolidated financial statements (the interim financial statements) for the second quarter of 2024 comprise of BlueNord ASA (BlueNord) and its subsidiaries. These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. The interim financial statements do not include all the information and disclosures required to represent a complete set of financial statements, and these interim financial statements should be read in conjunction with the annual financial statements. The interim financial statements are unaudited. The subtotals and totals in some of the tables may not equal the sum of the amounts shown due to rounding. The interim financial statements for the second quarter of 2024 were approved by the Board of Directors on 9 June 2024.

### Going concern

The Board of Directors confirms that the interim financial statements have been prepared under the presumption of going concern, and that this is the basis for the preparation of these interim financial statements. The financial solidity and the Company's cash and working capital position are considered satisfactory in regards of the planned activity level for the next 12 months.

### Reference to summary of significant accounting policies

These interim financial statements are prepared using the same accounting principles as the annual financial statements for 2023.

For the full summary of significant accounting policies, reference is made to the annual financial statements for 2023.

### Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant judgements made in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

## 2 Revenue

USD million	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
Sale of oil	135.9	111.4	122.3	247.2	235.3
Sale of gas and NGL	34.3	56.3	67.6	90.5	174.2
Other income	0.7	0.8	0.8	1.5	1.7
<b>Total revenue</b>	<b>170.8</b>	<b>168.5</b>	<b>190.7</b>	<b>339.3</b>	<b>411.2</b>
Oil lifted volumes (mmbbl)	1.86	1.53	1.95	3.38	3.71
<b>Effective Oil price USD/bbl</b>	<b>73.1</b>	<b>73.0</b>	<b>62.7</b>	<b>73.1</b>	<b>63.5</b>
Gas lifted volumes (mmboe)	0.59	0.51	0.52	1.10	1.12
Effective gas price EUR/MWh	31.1	60.0	70.9	44.4	84.9
<b>Effective gas price USD/boe</b>	<b>57.7</b>	<b>110.3</b>	<b>130.9</b>	<b>82.0</b>	<b>155.3</b>

In the second quarter, BlueNord's sale of oil amounted to USD 135.9 million and sale of gas amounted to USD 34.3 million, realised prices were USD 73.1 per bbl of oil and EUR 31.1 per MWh of gas lifted during the period, adjusted for settlement of price hedges in place with financial institutions.

During the second quarter, all BlueNord's settlement of prices hedges that were put in place with financial institutions in the market matched the physical sale of oil and gas and were recognised as revenue.

## 3 Production expenses

USD million	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
Direct field opex	(55.4)	(56.2)	(53.5)	(111.6)	(128.4)
Tariff and transportation expenses	(12.0)	(9.8)	(7.1)	(21.8)	(15.8)
Production general and administrative	(7.1)	(4.9)	(3.9)	(12.0)	(7.0)
<b>Field operating cost</b>	<b>(74.5)</b>	<b>(70.9)</b>	<b>(64.5)</b>	<b>(145.4)</b>	<b>(151.2)</b>
Total produced volumes (mmboe)	2.2	2.1	2.1	4.4	4.5
In USD per boe	(33.4)	(33.2)	(30.0)	(33.3)	(33.3)
<b>Adjustments for:</b>					
Concept studies	0.7	(0.3)	0.4	0.5	(1.5)
Change in inventory position	(2.5)	6.8	(10.5)	4.4	(5.4)
Over/under-lift of oil and NGL	(6.6)	(2.4)	(2.7)	(9.0)	(5.7)
Insurance & other	(6.0)	(5.4)	(5.2)	(11.4)	(10.1)
Stock scrap	(1.1)	(0.1)	(0.5)	(1.2)	(1.3)
<b>Production expenses</b>	<b>(89.8)</b>	<b>(72.3)</b>	<b>(82.9)</b>	<b>(162.1)</b>	<b>(175.2)</b>

Production expenses for the second quarter directly attributable to the lifting and transportation to market of BlueNord's oil and gas production are in total USD 74.5 million, compared to USD 70.9 million in first quarter. The increase is mainly due to increased study cost. Due to uncertainties related to the production forecast for Q2, the transportation cost is influenced by penalties as gas nomination has been challenging. The production cost equates to USD 33.4 per boe produced during the period compared to USD 33.2 per boe in Q1 2024.



## 4 Financial income and expenses

### Financial income

USD million	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
<b>Total interest income</b>	<b>3.6</b>	<b>3.8</b>	<b>4.7</b>	<b>7.4</b>	<b>8.4</b>
Value adjustment embedded derivatives <sup>1)</sup>	10.3	-	-	-	1.2
Value adjustment foreign exchange contract	0.1	-	-	0.1	-
Volume protection true-up	-	-	-	-	0.6
Realised gain interest swap RBL, ineffective part	-	0.0	2.3	-	2.9
Extinguishment of bond loans	-	-	-	-	-
Foreign exchange gains	2.6	3.6	0.4	6.1	0.9
<b>Total other financial income</b>	<b>13.0</b>	<b>3.6</b>	<b>2.7</b>	<b>6.2</b>	<b>5.5</b>

### Financial expenses

USD million	Q2 2024	Q1 2024	Q2 2023*	YTD 2024	YTD 2023*
Interest expenses current liabilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest expense from bond loans	(12.2)	(11.9)	(12.4)	(24.1)	(22.2)
Interest expense from bank debt <sup>2)</sup>	(13.1)	(14.0)	(11.6)	(27.2)	(24.8)
Less capitalised borrowing cost	-	-	19.2	-	38.6
<b>Total interest expenses</b>	<b>(25.3)</b>	<b>(25.9)</b>	<b>(4.7)</b>	<b>(51.3)</b>	<b>(8.4)</b>
Value adjustment embedded derivatives <sup>1)</sup>	-	(16.5)	(10.2)	(6.2)	-
Value adjustment foreign exchange contract	-	-	(0.6)	-	(0.6)
Value adjustment interest swap RBL, ineffective part	(0.1)	-	-	(0.1)	-
Value adjustment amortised cost RBL	(5.6)	-	-	(5.6)	-
Utilisation of derivatives	-	-	(0.1)	-	(0.1)
Accretion expense related to asset retirement obligations	(13.5)	(13.5)	(12.3)	(27.1)	(24.6)
Extinguishment of bonds loans	-	-	-	-	(0.0)
Foreign exchange losses	(1.4)	(1.1)	(2.0)	(2.5)	(4.1)
Other financial expenses	(0.6)	(0.6)	(0.9)	(1.3)	(1.8)
<b>Total other financial expenses</b>	<b>(21.4)</b>	<b>(31.8)</b>	<b>(26.1)</b>	<b>(42.7)</b>	<b>(31.2)</b>
<b>Net financial items</b>	<b>(30.1)</b>	<b>(50.3)</b>	<b>(23.4)</b>	<b>(80.4)</b>	<b>(25.6)</b>

\* Restated. The comparative information is restated on account of correction of errors. See note 10 Restatement of borrowing cost in the Annual Report 2023.

1) Fair value adjustment of the embedded derivatives of the convertible bonds.

2) Net of effective part of realised interest swap, related to RBL facility.

## 5 Tax

### Tax rates

Producers of oil and gas on the Danish Continental Shelf are subject to the hydrocarbon tax regime under which, income derived from the sale of oil and gas is taxed at an elevated 64 percent. Any income deriving from other activities than first-time sales of hydrocarbons is taxed at the ordinary corporate income rate of currently 22 percent. The 64 percent is calculated as the sum of the "Chapter 2" tax of 25 percent plus a specific hydrocarbon tax (chapter 3A) of 52 percent, in which the 25 percent tax payable is deductible. Income generated in Norway and United Kingdom is subject to regular corporate tax at 22 percent.

### Tax expense

#### USD million

Income tax in profit/loss (Danish corporate income tax and hydrocarbon tax)	Q2 2024	YTD 2024
Income tax current year	(2.9)	(5.5)
Income tax for prior years	68.4	68.4
<b>Current income tax</b>	<b>65.6</b>	<b>62.9</b>
Deferred tax movements	(7.6)	(17.6)
Prior year adjustment, deferred tax	(69.9)	(69.9)
<b>Deferred tax expense</b>	<b>(77.5)</b>	<b>(87.6)</b>
<b>Tax (expense)/ income</b>	<b>(11.9)</b>	<b>(24.7)</b>

Income tax in profit/loss is solely derived from the Group's activities on the Danish continental shelf, of which the major part is subject to the elevated 64 percent hydrocarbon tax.

#### Tax (expense)/income related to OCI

Cash flow hedges	4.3	43.0
<b>Tax (expense)/income related to OCI</b>	<b>4.3</b>	<b>43.0</b>

Income tax on OCI is related to the derivatives designated in cash flow hedges. To the extent derivatives are associated with the sale of oil and gas, result from cash flow hedges is subject to 64 percent hydrocarbon tax.

	Hydrocarbon tax 64%		Corporate tax 22%		
Reconciliation of nominal to actual tax rate:	Q2 2024		Q2 2024		In total
Result before tax	1.6		9.1		10.6
<b>Expected tax on profit before tax</b>	<b>1.0</b>	<b>64%</b>	<b>2.0</b>	<b>22%</b>	<b>3.0</b>
<b>Tax effect of:</b>					
Prior year adjustment	1.9	124%	(0.4)	-5%	1.5
FX adj. of net operating losses carried forward in DKK	12.4	793%		0%	12.4
Investment uplift on CAPEX projects <sup>1)</sup>	(9.1)	-582%		0%	(9.1)
Permanent differences <sup>2)</sup>	4.9	314%	(2.3)	-25%	2.7
No recognition of tax assets in Norway and UK		0%	1.5	16%	1.5
<b>Tax expense (income) in profit/loss</b>	<b>11.2</b>	<b>713%</b>	<b>0.7</b>	<b>8%</b>	<b>11.9</b>

	Hydrocarbon tax 64%		Corporate tax 22%		
Reconciliation of nominal to actual tax rate, continues:	YTD 2024		YTD 2024		In total
Result before tax	22.2		(3.4)		18.8
Expected tax on profit before tax	14.2	64%	(0.8)	22%	13.4
Tax effect of:					
Prior year adjustment	1.9	9%	(0.4)	13%	1.5
FX adj. of net operating losses carried forward in DKK	12.4	56%	-	0%	12.4
Investment uplift on CAPEX projects <sup>1)</sup>	(18.3)	-82%	-	0%	(18.3)
Permanent differences <sup>2)</sup>	11.3	51%	1.4	-40%	12.7
No recognition of tax assets in Norway and UK	-	0%	2.9	-84%	2.9
Tax expense (income) in profit/loss	21.6	98%	3.0	-89%	24.7

1) The tax cost in the hydrocarbon tax regime is positively impacted by the 39 percent investment uplift on the Tyra Redevelopment project.

2) This is related to the portion of interest cost not deductible under the Danish interest limitation rules.

	Q2 2024		Q2 2024		In total
OCI before tax	(2.9)		(11.5)		(14.4)
<b>Expected tax on OCI before tax</b>	<b>1.9</b>	<b>64%</b>	<b>2.5</b>	<b>22%</b>	<b>4.4</b>
<b>Tax effect of:</b>					
Non-taxable currency translation adjustment	-		(0.1)		(0.1)
<b>Tax in OCI</b>	<b>1.9</b>	<b>64%</b>	<b>2.4</b>	<b>22%</b>	<b>4.3</b>

	YTD 2024		YTD 2024		In total
OCI before tax	(60.1)		(22.2)		(82.2)
<b>Expected tax on OCI before tax</b>	<b>38.4</b>	<b>64%</b>	<b>4.9</b>	<b>22%</b>	<b>43.3</b>
<b>Tax effect of:</b>					
Non-taxable currency translation adjustment	-		(0.3)		(0.3)
<b>Tax in OCI</b>	<b>38.4</b>	<b>64%</b>	<b>4.5</b>	<b>22%</b>	<b>43.0</b>

#### Current income tax payable

Corporate tax for 2023 and 2024 (Denmark)	(8.9)
Hydrocarbon tax for 2023 and 2024 (Denmark)	(32.7)
Hydrocarbon tax for prior years	(12.5)
Solidarity contribution 2023	
<b>Tax payables</b>	<b>(54.0)</b>

Current income taxes for current and prior periods are measured at the amount that is expected to be paid to or be refunded from the tax authorities, as at the balance sheet date. Due to the complexity in the legislative framework and the limited amount of guidance from relevant case law, the measurement of taxable profits within the oil and gas industry is associated with some degree of uncertainty. Uncertain tax liabilities are recognised with the probable value if their probability is more likely than not. Tax payables of USD 54 million, which includes USD 45 million actual cash payable to be paid in 2024 and USD 9 million in provision for uncertain tax positions.



## Deferred tax

Deferred tax is measured at the amount that is expected to result in taxes due to temporary differences and the value of tax losses.

The recognised deferred tax asset is allocated to the following balance sheet items, all pertaining to the Group's activities on the Danish continental shelf:

USD million		Effect recognised in P&L	Effect recognised in OCI	
Deferred tax and deferred tax asset	01.01.2024			30.06.2024
Property, plant and equipment	812.9	66.5		879.4
Intangible assets, licences	29.4	4.3		33.7
Inventories and receivables	33.8	(1.3)		32.5
Asset retirement obligation (ARO)	(623.9)	(6.4)		(630.3)
Other assets and liabilities	(2.9)	(1.7)		(4.6)
Tax loss carryforward, corporate tax (22%)				-
Tax loss carryforward, chapter 2 tax (25%)	(0.1)	(8.7)		(8.7)
Tax loss carryforward, chapter 3a tax (52%)	(467.7)	34.6	(38.4)	(471.6)
<b>Deferred tax asset, net</b>	<b>(218.5)</b>	<b>87.2</b>	<b>(38.4)</b>	<b>(169.7)</b>

## 6 Intangible assets

USD million	Capitalised exploration expenditures	Licence	Goodwill	Total
<b>Book value 31.12.22</b>	<b>1.9</b>	<b>149.7</b>	<b>-</b>	<b>151.6</b>
Acquisition costs 31.12.22	1.9	186.0	-	187.9
Additions	0.0	-	2.2	2.2
Currency translation adjustment	-	-	(0.0)	(0.0)
<b>Acquisition costs 31.03.2024</b>	<b>2.0</b>	<b>186.0</b>	<b>2.2</b>	<b>190.1</b>
Depreciation and write-downs 31.12.22	-	(36.3)	-	(36.3)
Depreciation/amortisation	-	(1.6)	-	(1.6)
<b>Depreciation and write-downs 31.03.2024</b>	<b>-</b>	<b>(37.9)</b>	<b>-</b>	<b>(37.9)</b>
<b>Book value 31.03.2024</b>	<b>2.0</b>	<b>148.1</b>	<b>2.2</b>	<b>152.3</b>
Acquisition costs 31.03.2024	2.0	186.0	2.2	190.1
Additions	(0.0)	-	-	(0.0)
Currency translation adjustment	-	-	(0.0)	(0.0)
<b>Acquisition costs 30.06.2024</b>	<b>1.9</b>	<b>186.0</b>	<b>2.2</b>	<b>190.1</b>
Depreciation and write-downs 31.03.2024	-	(37.9)	-	(37.9)
Depreciation/amortisation	-	(1.7)	-	(1.7)
<b>Depreciation and write-downs 30.06.2024</b>	<b>-</b>	<b>(39.6)</b>	<b>-</b>	<b>(39.6)</b>
<b>Book value 30.06.2024</b>	<b>1.9</b>	<b>146.4</b>	<b>2.2</b>	<b>150.5</b>

## 7 Property, plant and equipment

USD million	Asset under construction	Production facilities	Other assets	Total
<b>Book value 31.12.23</b>	<b>1,422.8</b>	<b>1,003.7</b>	<b>1.4</b>	<b>2,427.9</b>
Acquisition costs 31.12.23	1,422.8	1,491.5	3.1	2,917.4
Additions	0.4	63.7	0.0	64.1
Reclassification from AUC to production facilities	(1,394.5)	1,394.5	-	0.0
Acquisition of subsidiary	-	-	0.0	0.0
Sale of assets	-	-	(0.0)	(0.0)
Currency translation adjustment	-	(0.0)	(0.0)	(0.1)
<b>Acquisition costs 31.03.24</b>	<b>28.7</b>	<b>2,949.7</b>	<b>3.1</b>	<b>2,981.5</b>
Depreciation and write-downs 31.12.23	-	(487.9)	(1.7)	(489.5)
Depreciation	-	(27.5)	(0.1)	(27.5)
Acquisition of subsidiary	-	-	(0.0)	(0.0)
Sale of asset, reversal depreciation	-	-	0.0	0.0
Currency translation adjustment	-	0.0	0.0	0.0
<b>Depreciation and write-downs 31.03.24</b>	<b>-</b>	<b>(515.3)</b>	<b>(1.7)</b>	<b>(517.0)</b>
<b>Book value 31.03.24</b>	<b>28.7</b>	<b>2,434.4</b>	<b>1.4</b>	<b>2,464.5</b>
Acquisition costs 31.03.24	28.7	2,949.7	3.1	2,981.5
Additions	4.1	52.7	0.0	56.9
Reclassification from AUC to production facilities	(0.1)	0.1	-	-
Sale of asset	-	-	(0.0)	(0.0)
Currency translation adjustment	-	(0.0)	(0.0)	(0.0)
<b>Acquisition costs 30.06.24</b>	<b>32.7</b>	<b>3,002.5</b>	<b>3.1</b>	<b>3,038.4</b>
Depreciation and write-downs 31.03.24	-	(515.3)	(1.7)	(517.0)
Depreciation	-	(29.7)	(0.1)	(29.7)
Sale of asset, reversal depreciation	-	-	0.0	0.0
Currency translation adjustment	-	0.0	0.0	0.0
<b>Depreciation and write-downs 30.06.24</b>	<b>-</b>	<b>(545.0)</b>	<b>(1.8)</b>	<b>(546.7)</b>
<b>Book value 30.06.24</b>	<b>32.7</b>	<b>2,457.5</b>	<b>1.4</b>	<b>2,491.6</b>

The Group now identifies two cash-generating units (CGU), one being its upstream oil & gas assets and the other relating to CarbonCuts (new subsidiary since January 2024). The Group has not identified any impairment triggers in second quarter 2024 hence is not required to perform any impairment tests. See note 1.7 in the Annual Report 2023 for the accounting policies related to impairment of non-financial assets.

## 8 Non-current receivables, trade receivables and other current assets

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
<b>Non-current assets</b>				
Convertible loan CarbonCuts	-	-	1.1	0.7
Loan CarbonCuts	-	-	2.6	1.6
<b>Total non-current receivables</b>	<b>-</b>	<b>-</b>	<b>3.7</b>	<b>2.3</b>
<b>Current assets</b>				
Trade receivables	61.6	42.4	59.9	73.5
Under-lift of oil/NGL	-	0.2	2.6	3.2
Prepayments	14.2	20.3	24.8	15.7
Other receivables	5.1	1.5	1.4	4.8
<b>Total trade receivables and other current receivables</b>	<b>80.9</b>	<b>64.3</b>	<b>88.7</b>	<b>97.2</b>

## 9 Inventories

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Product inventory, oil	19.3	21.8	15.0	16.2
Other stock (spares & consumables)	44.6	41.1	39.7	37.1
<b>Total inventories</b>	<b>63.9</b>	<b>62.9</b>	<b>54.7</b>	<b>53.2</b>

## 10 Restricted bank accounts, cash and cash equivalents

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
<b>Non-current assets</b>				
Restricted bank deposits pledged as security for abandonment obligation related to Nini/Cecilie	62.3	62.9	64.3	62.6
Restricted bank deposits pledged as security for cash call obligations towards TotalEnergies <sup>1)</sup>	152.9	151.5	149.6	145.2
<b>Total non-current restricted bank deposits</b>	<b>215.2</b>	<b>214.4</b>	<b>213.9</b>	<b>207.9</b>
<b>Current assets</b>				
Unrestricted cash and cash equivalents	136.0	157.7	166.7	284.7
Restricted bank deposits <sup>2)</sup>	0.1	0.1	0.1	0.0
<b>Total current cash and cash equivalents</b>	<b>136.1</b>	<b>157.8</b>	<b>166.9</b>	<b>284.8</b>
<b>Total bank deposits</b>	<b>351.3</b>	<b>372.2</b>	<b>380.7</b>	<b>492.6</b>

- 1) BlueNord has made a USD 140 million bank deposit into a security account to secure future requests for anticipated payments related to capital and operating expenditures in accordance with the security agreement with TotalEnergies E&P Denmark A/S as operator of the DUC. No further transfer to the security account will be made, except that interest earned will be accrued in the account.

- 2) Tax Withholding Account



## 11 Borrowings

USD million	30.06.2024		31.03.2024		31.12.2023		30.06.2023	
	Principal amount	Book value	Principal amount	Book value	Principal amount	Book value	Principal amount	Book value
BNOR13 Convertible Bond <sup>1)</sup>	-	-	-	-	-	-	0.2	0.2
BNOR15 Convertible Bond <sup>2)</sup>	237.6	216.8	228.4	209.2	228.4	201.7	219.5	189.1
BNOR14 Senior Unsecured Bond <sup>3)</sup>	-	-	175.0	173.6	175.0	169.1	175.0	167.9
<b>Total non-current bonds</b>	<b>237.6</b>	<b>216.8</b>	<b>403.4</b>	<b>382.8</b>	<b>403.4</b>	<b>370.8</b>	<b>394.7</b>	<b>357.2</b>
Reserve-based lending facility <sup>4)</sup>	880.0	831.3	725.0	697.5	725.0	695.8	800.0	767.4
<b>Total non-current debt</b>	<b>880.0</b>	<b>831.3</b>	<b>725.0</b>	<b>697.5</b>	<b>725.0</b>	<b>695.8</b>	<b>800.0</b>	<b>767.4</b>
BNOR14 Senior Unsecured Bond <sup>3)</sup>	175.0	170.2	-	-	-	-	-	-
Reserve-based lending facility <sup>4)</sup>	-	-	125.0	125.0	125.0	125.0	-	-
<b>Total current debt</b>	<b>175.0</b>	<b>170.2</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>	<b>-</b>	<b>-</b>
<b>Total borrowings</b>	<b>1,292.6</b>	<b>1,218.4</b>	<b>1,253.4</b>	<b>1,205.2</b>	<b>1,253.4</b>	<b>1,191.6</b>	<b>1,194.7</b>	<b>1,124.6</b>

Note: Book values reported on the basis of amortised cost for BNOR14, the reserve-based lending facility and the convertible bond loan element of BNOR13 and BNOR15.

- 1) The Company issued a convertible bond loan of USD 158 million in 2019 where the lender was granted a right to convert the loan into new shares in the Company by way of set-off against the claim on the Company. The loan carries an interest of 8 percent p.a. on a PIK basis, with an alternative option to pay cash interest at 6 percent p.a., payable semi-annually. In December 2022, the majority of the remaining convertible loan was transferred into the new convertible instrument, BNOR15 and, of the remaining USD 13.8 million outstanding on 31 December 2022, USD 14.2 million was converted into equity by 26 January 2023, this includes conversion of USD 0.5 million in accumulated interests. The remaining BNOR13 bond was then subject to the amendments as proposed by the Company in November 2022 and USD 48.2 thousand compensation bonds were issued on 26 January. The amendment to BNOR13 terms aligns the terms of the remaining bond with that of the BNOR15 bond. In December 2023, USD 195,723 was converted into equity and so the outstanding value of BNOR13 as of 30.06.2024 is USD 64. Given the insignificant amount outstanding on BNOR13, this has been assumed as nil in the reporting and will be repaid in the near future.
- 2) The Company issued a convertible bond loan of USD 207.6 million in December 2022, with a five-year tenor and a conversion to equity or cash settlement after three years (31 December 2025). BNOR15 is made up of a transfer from BNOR13 of USD 151.4 million plus additional compensation bonds of USD 56.2 million. In the same way as BNOR13, the lender was granted a right to convert the loan into new shares in the Company by way of set-off against the claim on the Company. The loan carries an interest of 8 percent p.a. on a PIK basis, with an alternative option for the company to pay cash interest at 6 percent p.a., payable semi-annually. Conversion price of USD 51.4307 per share. In 2023 USD 0.1 million was converted into equity. For more information on the bond terms see [www.bluenord.com/debt](http://www.bluenord.com/debt).
- 3) The Company issued a senior unsecured bond of USD 175 million in 2019, with a maturity in June 2026. The bond carries an interest of 9 percent p.a., payable semi-annually. In July 2021, BlueNord's written resolution regarding the addition of further headroom under the Leverage Ratio covenant through to the end of 2023 was resolved and approved by the Company's BNOR14 bondholders. From Q1 2024 onwards, the maximum Leverage Ratio is 3.0x and BlueNord's minimum bank deposits threshold is USD 25 million, under the amended bond terms. As at 14 June 2024, the Company exercised the call option to redeem all of BNOR14 at 110.00131% (plus accrued unpaid interests on the redeemed amount) on 02 July 2024.
- 4) The Company has successfully completed the refinancing of its existing reserve-based lending facility and has entered into a new increased reserve-based lending Facility in Q2 2024. The facility has a five and a half-year tenor with a maximum limit of USD 1.4 billion (an increase of USD 300 million), with a maximum of USD 1.15 billion available for cash drawdown by the Company. Interest is accrued on the drawn amount with an interest rate comprising the aggregate of SOFR and 4.0 percent per annum. The current capital outstanding is USD 880 million at Q2 2024.

On 13 June 2024, the Company successfully placed a new 5-year senior unsecured bond issue of USD 300 million, with a maturity in June 2029. The bond will carry an interest of 9.50 percent p.a., payable semi-annually. The new BNOR16 bond will be used to redeem the Company's existing BNOR14 bond (see call option notice above) and for other general corporate purposes. The issue date for the bond was 02 July 2024.

**Payment structure (USD million)  
at 30.06.2024**

Year	BNOR15 <sup>1)</sup>	BNOR14 <sup>2)</sup>	Reserve-based lending facility	Total
Interest rate		9,0%	SOFR	
2024	-	-	45.3	45.3
2025	-	-	89.5	89.5
2026	-	-	91.9	91.9
2027	-	-	85.9	85.9
2028	-	-	56.9	56.9
2029	-	-	24.0	24.0
<b>Total</b>	<b>-</b>	<b>-</b>	<b>393.5</b>	<b>393.5</b>

- 1) BNOR15 carries a variable interest charge of: (i) 6 percent per annum in cash, payable semi-annually, or; (ii) 8 percent per annum payment in kind ("PIK") cumulative interest, rolled up semi-annually, to add to BNOR15 capital on conversion at expiry of the bond. Currently the Company has elected the PIK interest of 8 percent and is therefore forecasting no cash interest payments on BNOR15 in the above table.
- 2) Call option issued 14 June to redeem all of the outstanding BNOR14 bonds in accordance with bonds terms, with record date 2 July.

## 12 Trade payables and other current liabilities

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Trade payable	0.5	1.0	17.5	0.2
Liabilities to operators relating to joint venture licences	53.4	70.0	70.9	75.0
Over-lift of oil/NGL	6.4	-	-	-
Accrued interest	4.4	1.4	1.3	2.4
Salary accruals	1.5	2.8	2.4	1.2
Public duties payable	13.6	13.3	12.8	14.2
Other current liabilities	28.3	17.4	20.3	20.5
<b>Total trade payables and other current liabilities</b>	<b>108.1</b>	<b>105.8</b>	<b>125.3</b>	<b>113.5</b>

## 13 Financial instruments

### 13.1 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Inputs for the asset or liability that are not based on observable market data.

On 30.06.2024

USD million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value hedging instruments</b>				
– Derivative instruments price hedge	-	18.1	-	18.1
<b>Total assets</b>	-	<b>18.1</b>	-	<b>18.1</b>
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss</b>				
– Embedded derivatives convertible bond BNOR15 <sup>1)</sup>	-	-	59.2	59.2
<b>Financial liabilities at fair value hedging instruments</b>				
– Derivative instruments fx contracts	-	0.2	-	0.2
– Derivative instruments price hedge	-	53.2	-	53.2
<b>Total liabilities</b>	-	<b>53.4</b>	<b>59.2</b>	<b>112.7</b>

1) For more information see section 13.3

On 31.03.2024

USD million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
– Derivative instruments interest swap, ineffective part	-	0.6	-	0.6
<b>Financial assets at fair value hedging instruments</b>				
– Derivative instruments interest swap and fx contracts	-	10.8	-	10.8
– Derivative instruments price hedge	-	30.9	-	30.9
<b>Total assets</b>	-	<b>42.4</b>	-	<b>42.4</b>
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss</b>				
– Embedded derivatives convertible bond BNOR15	-	-	69.6	69.6
<b>Financial liabilities at fair value hedging instruments</b>				
– Derivative instruments price hedge	-	63.2	-	63.2
<b>Total liabilities</b>	-	<b>63.2</b>	<b>69.6</b>	<b>132.7</b>

On 31.12.2023

USD million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
– Derivative instruments interest swap, ineffective part	-	1.2	-	1.2
<b>Financial assets at fair value hedging instruments</b>				
– Derivative instruments interest swap	-	20.4	-	20.4
– Derivative instruments price hedge	-	64.1	-	64.1
<b>Total assets</b>	-	<b>85.7</b>	-	<b>85.7</b>
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss</b>				
– Embedded derivatives convertible bond BNOR15	-	-	53.0	53.0
<b>Financial liabilities at fair value hedging instruments</b>				
– Derivative instruments price hedge	-	39.2	-	39.2
<b>Total liabilities</b>	-	<b>39.2</b>	<b>53.0</b>	<b>92.2</b>

## 13.2 Financial instruments by category

On 30.06.2024 USD million	Financial instruments at amortised cost	Financial instruments at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Assets</b>				
Derivative instruments price hedge	-	-	18.1	18.1
Trade receivables and other current assets	80.9	-	-	80.9
Restricted bank deposits	215.2	-	-	215.2
Cash and cash equivalents	136.0	-	-	136.0
<b>Total assets</b>	<b>432.2</b>	-	<b>18.1</b>	<b>450.3</b>
<b>Liabilities</b>				
Derivative instruments fx contracts	-	-	0.2	0.2
Derivative instruments price hedge	-	-	53.2	53.2
Embedded derivatives convertible bond BNOR15	-	59.2	-	59.2
Convertible bond loan	216.8	-	-	216.8
Senior unsecured bond loan	170.2	-	-	170.2
Reserve-based lending facility	831.3	-	-	831.3
Trade payables and other current liabilities	108.1	-	-	108.1
<b>Total liabilities</b>	<b>1,326.5</b>	<b>59.2</b>	<b>53.4</b>	<b>1,439.1</b>



On 31.03.2024 USD million	Financial instruments at amortised cost	Financial instruments at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Assets</b>				
Derivative instruments interest swap	-	-	11.4	11.4
Derivative instruments price hedge	-	-	30.9	30.9
Trade receivables and other current assets	64.3	-	-	64.3
Restricted bank deposits	214.4	-	-	214.4
Cash and cash equivalents	157.7	-	-	157.7
<b>Total</b>	<b>436.5</b>	<b>-</b>	<b>42.4</b>	<b>478.8</b>
<b>Liabilities</b>				
Derivative instruments price hedge	-	-	63.2	63.2
Embedded derivatives convertible bond BNOR15	-	69.6	-	69.6
Convertible bond loans	209.2	-	-	209.2
Senior unsecured bond loan	173.6	-	-	173.6
Reserve-based lending facility	822.5	-	-	822.5
Trade payables and other current liabilities	105.8	-	-	105.8
<b>Total</b>	<b>1,311.0</b>	<b>69.6</b>	<b>63.2</b>	<b>1,443.8</b>
On 31.12.2023 USD million	Financial instruments at amortised cost	Financial instruments at fair value through profit or loss	Hedging instruments at fair value	Total
<b>Assets</b>				
Convertible loan CarbonCuts	1.1	-	-	1.1
Loan CarbonCuts	2.6	-	-	2.6
Derivative instruments interest swap	-	-	21.6	21.6
Derivative instruments price hedge	-	-	64.1	64.1
Trade receivables and other current assets	88.7	-	-	88.7
Restricted bank deposits	214.0	-	-	214.0
Cash and cash equivalents	166.7	-	-	166.7
<b>Total assets</b>	<b>473.1</b>	<b>-</b>	<b>85.7</b>	<b>558.8</b>
<b>Liabilities</b>				
Derivative instruments price hedge	-	-	39.2	39.2
Embedded derivatives convertible bond BNOR15	-	53.0	-	53.0
Convertible bond loans	201.7	-	-	201.7
Senior unsecured bond loan	169.1	-	-	169.1
Reserve-based lending facility	820.8	-	-	820.8
Trade payables and other current liabilities	125.3	-	-	125.3
<b>Total liabilities</b>	<b>1,316.9</b>	<b>53.0</b>	<b>39.2</b>	<b>1,409.1</b>

### 13.3 Financial instruments – fair values

Set out below is a comparison of the carrying amounts and fair value of financial instruments on 30 Jun 2024:

USD million	Total amount outstanding*	Carrying Amount	Fair Value
<b>Financial assets</b>			
Derivative instruments price hedge		18.1	18.1
Trade receivables and other current assets		80.9	80.9
Restricted bank deposits		215.2	215.2
Cash and cash equivalents		136.0	136.0
<b>Total</b>		<b>450.3</b>	<b>450.3</b>
<b>Financial liabilities</b>			
Derivative instruments fx contracts		0.2	0.2
Derivative instruments price hedge		53.2	53.2
Embedded derivative convertible bond BNOR15		59.2	59.2
Convertible bond loan	237.6	216.8	178.3
Senior unsecured bond loan	175.0	170.2	175.0
Reserve-based lending facility	880.0	831.3	880.0
Trade payables and other current liabilities		108.1	108.1
<b>Total</b>	<b>1,292.6</b>	<b>1,439.1</b>	<b>1,454.1</b>

\* Total amount outstanding on the bonds and under the RBL facility

The RBL facility is measured at amortised cost. Transaction costs are deducted from the amount initially recognised and are expensed over the period during which the debt is outstanding under the effective interest method. The capital outstanding is USD 880 million in Q2 2024.

The senior unsecured bond loan is measured at amortised cost, in addition a total of USD 7.6 million in transaction cost are deducted from the amount initially recognised.

The BNOR15 instrument has been determined to contain embedded derivatives which are accounted for separately as derivatives at fair value through profit or loss, while the loan element subsequent to initial recognition is measured at amortised cost, transaction costs are included in the amortised cost. The embedded derivative is valued on an option valuation basis, the carrying value as on 30 June 2024 was USD 59.2 million. The assumptions in establishing the option value as on 30 June 2024 are shown below.

The following table lists the inputs to the model used to calculate the fair value of the embedded derivatives:

		BNOR15
Valuation date	(date)	30 Jun 24
Agreement execution date	(date)	30 Dec 22
Par value of bonds	(USD)	237,564,563
Reference share price at time of agreement	(NOK)	413
Fair value at grant date	(USD)	38,928,552
PIK interest rate	(%)	8.00%
Expected life	(years)	1.5
Number of options	(#)	4,619,120
Conversion price	(NOK)	537
Fixed FX rate of agreement	(USD:NOK)	10.440
Risk-free rate (based on government bonds)	(%)	3.75%
Expected volatility	(%)	43.73%
Model used	Black - Scholes - Merton	

### 13.4 Hedging

The Group actively seeks to reduce the market-related risks it is exposed to including, (i) commodity prices, (ii) market-linked floating interest rates and (iii) foreign exchange rates.

The Company has a rolling hedge requirement under its newly refinanced RBL facility based on a minimum level of production corresponding to the RBL's production forecast. The requirement is for the following volumes and time periods: (i) Oil: Year 1 at 50% and Year 2 at 40%; (ii) Gas: Season 1 at 50%, Season 2 at 50%, Season 3 at 40% and Season 4 at 20% (seasons being the ensuing six-month seasons, with a season being October to March or April to September). The Company's hedges are compliant with this requirement. Currently all the Company's commodity price hedging arrangements are a mixture of forward contracts and options collars.

During Q2 2024 the company entered foreign exchange hedges to secure fixed USD to DKK exchange rates at a nominal amount of USD 32.6 million equivalent to DKK 225 million, for selected future payments in relation to taxes, VAT and cash calls related to the Company's forecast cash-flows.

Hedge accounting is applied to all the Company's hedging arrangements. To the extent more than 100 percent of the market-related risk is hedged, the portion above 100 percent is considered ineffective, and the value adjustment is treated as a financial item in the Income Statement. In Q1 2024, all the Company's arrangements in relation to commodity prices were effective, no part of the foreign exchange hedge was considered ineffective. However, the Company's interest rate hedge above the drawn amount of the RBL, of USD 880 million, during Q2 2024 was considered ineffective and the value adjustment was treated as a financial item in the Income Statement. Time value related to commodity hedging arrangements is considered insignificant and generally the valuation of the instruments do not take into consideration the time value.

	Maturity						Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	More than 12 months	
As of 30 June 2024							
Commodity forward sales contracts oil:							
Notional quantity (in mbbbl)	-	1,017.0	1,017.0	885.0	885.0	3,330.0	7,134.0
Notional amount (in USD million)	-	74.6	74.6	66.5	66.5	245.2	527.4
Average hedged sales price (in USD per bbl)	-	73.3	73.3	75.2	75.2	73.6	73.9
Commodity forward sales contracts gas:							
Notional quantity (in mMWh)	-	495.0	675.0	675.0	945.0	3,225.0	6,015.0
Notional amount (in EUR million)	-	20.5	28.7	28.7	32.9	110.2	221.0
Average hedged sales price (in EUR per MWh)	-	41.4	42.5	42.5	34.8	34.2	36.7

### Hedge reserve movement

The table below shows the movement in the hedge reserve from changes in the cash flow hedges.

USD Million	Hedge Reserve
<b>Balance as of 01.01.2024</b>	<b>24.9</b>
Realised cash flow hedge revenue	(14.8)
Realised cash flow hedge financial items	(10.2)
Related tax - realised cash flow hedge	11.7
Changes in fair value cash flow hedge	(41.8)
Related tax - changes in fair value cash flow hedge	27.0
<b>Balance as of 31.03.2024</b>	<b>(3.2)</b>
Realised cash flow hedge revenue	15.5
Realised cash flow hedge financial items	(10.8)
Related tax - realised cash flow hedge	(7.5)
Changes in fair value cash flow hedge	(18.6)
Related tax - changes in fair value cash flow hedge	11.8
<b>Balance as of 30.06.2024</b>	<b>(12.8)</b>



## 14 Asset retirement obligations

USD million	Q2 2024	Q1 2024	Q1-4 2023
Provisions as of beginning of period	1,050.3	1,049.0	955.8
Provisions and change of estimates made during the period	(0.6)	(1.4)	52.6
Accretion expense	13.5	13.5	49.2
Incurred cost removal	(4.4)	(10.9)	(8.7)
Currency translation adjustment	(0.0)	(0.0)	0.1
<b>Total provisions made for asset retirement obligations</b>	<b>1,058.8</b>	<b>1,050.3</b>	<b>1,049.0</b>
<b>Break down of short-term and long-term asset retirement obligations</b>			
Short-term	3.7	6.3	15.4
Long-term	1,055.1	1,043.9	1,033.7
<b>Total provisions for asset retirement obligations</b>	<b>1,058.8</b>	<b>1,050.3</b>	<b>1,049.0</b>

The balance as per 30 June 2024 is USD 993.1 million for DUC, USD 62.3 million for Nini/Cecilie, USD 1.5 million for Lulita (non-DUC share) and USD 1.9 million for Tyra F-3 pipeline.

Estimates are based on executing a concept for abandonment in accordance with the Petroleum Activities Act and international regulations and guidelines. The calculations assume an inflation rate of 2.0 percent and a nominal discount rate before tax of 5.5 percent. The credit margin included in the discount rate is 2.9 percent.

## 15 Shares and share capital

	No. of shares	Share capital*
Number of shares and share capital as of 31.12.2023	26,205,849	1.7
Issue of shares	197,979	0.0
<b>Number of shares and share capital as of 30.06.2024</b>	<b>26,403,828</b>	<b>1.7</b>

	No. of shares	Treasury share reserve*
Number of treasury shares and treasury shares reserves as of 31.12.2023	(100,521)	(0.1)
Sale of treasury shares	100,521	0.1
<b>Number of treasury shares and treasury share reserves as of 30.06.2024</b>	<b>-</b>	<b>-</b>

\* In USD million

## 16 Subsequent events

On 13 June 2024, the Company successfully placed a new 5-year senior unsecured bond issue of USD 300 million, with a maturity in June 2029. The bond will carry an interest of 9.50 percent p.a., payable semi-annually. The new BNOR16 bond will be used to redeem the Company's existing BNOR14 bond (see call option notice above) and for other general corporate purposes. The issue date for the bond was 02 July 2024.

# Information



# Alternative Performance Measures

BlueNord chooses to disclose Alternative Performance Measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with International Financial Reporting Standards. This information is provided as a useful supplemental information to investors, security analysts and other stakeholders to provide an enhanced insight into the financial development of BlueNord's business operations and to improve comparability between periods.

**EBITDA** Earnings before interest, taxes, depreciation, depletion, amortisation and impairments. EBITDA assists in comparing performance on a consistent basis without regard to depreciation and amortisation, which can vary significantly depending on accounting methods or non-operating factors and provides a more complete and comprehensive analysis of our operating performance relative to other companies.

**Adj. EBITDA** is EBITDA adjusted for the cost based on fair value of the share-options programme and Non-payment insurance as these costs are related to the DUC acquisition and not directly related to the operational result for the year.

USD million	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
<b>EBITDA</b>	<b>72.2</b>	<b>87.7</b>	<b>98.7</b>	<b>159.9</b>	<b>220.2</b>
Non-payment insurance	1.5	1.5	1.2	3.0	2.4
<b>Adj. EBITDA</b>	<b>73.7</b>	<b>89.2</b>	<b>99.9</b>	<b>162.9</b>	<b>222.6</b>

**Cash flow from operations** is defined as Net Cash flow from operating activities excluding tax payments.

USD million	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
<b>Cash flow from operations</b>	<b>57.4</b>	<b>88.4</b>	<b>99.3</b>	<b>145.8</b>	<b>257.4</b>
Tax (paid)/received	(7.3)	(11.5)	(40.4)	(18.8)	(40.4)
<b>Net cash flow from operating activities</b>	<b>50.1</b>	<b>76.8</b>	<b>58.9</b>	<b>126.9</b>	<b>217.0</b>

**Interest-bearing debt** defined as the book value of the current and non-current interest-bearing debt.

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Convertible bond loans	(216.8)	(209.2)	(201.7)	(189.3)
Senior Unsecured bond loan	(170.2)	(173.6)	(169.1)	(167.9)
Reserve-based lending facility	(831.3)	(822.5)	(820.8)	(767.4)
<b>Interest-bearing debt</b>	<b>(1,218.4)</b>	<b>(1,205.2)</b>	<b>(1,191.6)</b>	<b>(1,124.6)</b>

**Net interest-bearing debt** is defined by BlueNord as cash and cash equivalents reduced by current and non-current interest-bearing debt. The RBL facility and bond loans are included in the calculation with the total amount outstanding and not the amortised cost including transaction cost. **Net interest-bearing debt as per debt covenant** is defined by BlueNord as net interest-bearing debt adjusted for convertible bond loans and letters of credit issued.

USD million	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Cash and cash equivalents	136.0	157.7	166.7	284.7
Convertible bond loans	(237.6)	(228.4)	(228.4)	(219.7)
Senior Unsecured bond loan	(175.0)	(175.0)	(175.0)	(175.0)
Reserve-based lending facility	(880.0)	(850.0)	(850.0)	(800.0)
<b>Net interest-bearing debt</b>	<b>(1,156.5)</b>	<b>(1,095.7)</b>	<b>(1,086.7)</b>	<b>(910.0)</b>
Adjustment for convertible bond loans	237.6	228.4	228.4	219.7
Include issued letters of credit	(100.0)	(100.0)	(100.0)	(100.0)
<b>Net interest-bearing debt as per debt covenant</b>	<b>(1,019.0)</b>	<b>(967.3)</b>	<b>(958.3)</b>	<b>(790.3)</b>

# Information about BlueNord

## Head Office BlueNord

Headquarter	Nedre Vollgate 3, 0158 Oslo, Norway
Telephone	+47 22 33 60 00
Internet	<a href="http://www.bluenord.com">www.bluenord.com</a>
Organisation number	NO 987 989 297 MVA

## Financial Calendar 2024

14 May	Annual General Meeting
07 May	Q1 2024 Report
10 July	Q2 and Half-year 2024 Report
31 October	Q3 2024 Report

## Board of Directors

Glen Ole Rødland	Chair
Marianne Lie	
Tone Kristin Omsted	
Robert J McGuire	
Peter Coleman	

## Management

Euan Shirlaw	Chief Executive Officer
Jacqueline Lindmark Boye	Chief Financial Officer
Miriam Jager Lykke	Chief Operating Officer
Cathrine Torgersen	Chief Corporate Affairs Officer

## Investor Relations

Phone	+47 22 33 60 00
E-mail	<a href="mailto:investorrelations@bluenord.com">investorrelations@bluenord.com</a>

## Annual Reports

Annual reports for BlueNord are available on [www.bluenord.com](http://www.bluenord.com)

## Quarterly publications

Quarterly reports and supplementary information for investors and analysts are available on [www.bluenord.com](http://www.bluenord.com). The publications can be ordered by e-mailing [investorrelations@bluenord.com](mailto:investorrelations@bluenord.com).

## News Releases

In order to receive news releases from BlueNord, please register on [www.bluenord.com](http://www.bluenord.com) or e-mail [investorrelations@bluenord.com](mailto:investorrelations@bluenord.com).



# Appendix

## Dan hub

Key figures	Unit	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
Dan	mboepd	6.7	7.0	6.6	6.9	7.1
Kraka	mboepd	0.7	0.8	0.4	0.7	0.5
Operating efficiency		92.9%	89.7 %	69.0%	91.2%	78.1%

## Gorm hub

Key figures	Unit	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
Gorm	mboepd	1.2	1.0	0.7	1.1	0.9
Rolf	mboepd	0.4	0.3	0.3	0.3	0.3
Skjold	mboepd	2.9	2.7	3.3	2.8	3.1
Operating efficiency		82.1%	84.2 %	76.3%	83.1%	77.3%

## Halfdan hub

Key figures	Unit	Q2 2024	Q1 2024	Q2 2023	YTD 2024	YTD 2023
Halfdan	mboepd	12.9	11.9	12.3	12.5	13.2
Operating efficiency		92.3%	92.8 %	87.3%	92.5%	90.5%