

DNO ASA
Interim Results

First Quarter 2024



Key figures

USD million	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Key financials				
Revenues	182.7	199.3	268.9	667.5
EBITDAX	118.6	135.1	206.6	431.5
EBITDA	110.4	116.8	200.0	383.8
Operating profit/-loss	60.6	37.6	155.3	218.3
Net profit/-loss	16.8	4.2	87.4	18.6
Free cash flow	43.6	33.3	34.9	-81.7
Operational spend	113.3	143.7	155.9	561.9
Net cash/- debt	171.5	152.7	344.4	152.7
Lifting costs (USD/boe)	6.6	7.3	7.9	10.7
Key operational data				
Gross operated production (boepd)	76,310	65,773	94,720	46,500
Net production (boepd)	74,772	69,684	89,399	52,566
Sales volume (boepd)	38,214	41,685	38,555	28,885

For more information about key figures, see the section on alternative performance measures.

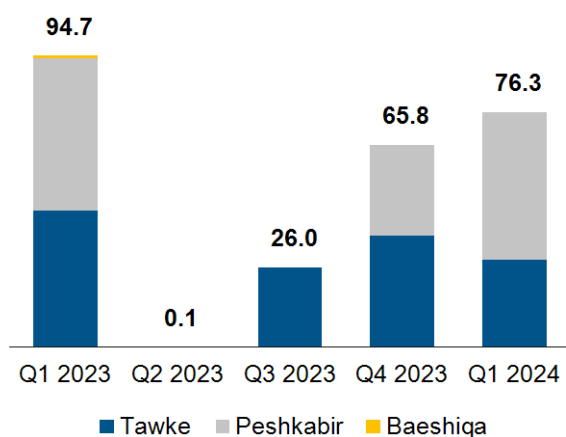
Q1 2024 highlights

- Net production continued to increase and averaged 74,800 barrels of oil equivalent per day (boepd) in the quarter, of which Kurdistan 57,200 boepd, North Sea 14,200 boepd and West Africa 3,300 boepd
- Production from flagship Tawke license in Kurdistan (DNO 75 percent and operator) largely restored after March 2023 Iraq-Türkiye Pipeline shutdown
- Operating profit of USD 61 million, up 61 percent from the previous quarter on the back of USD 183 million in revenue, lower exploration expenses and no impairment charges. Net profit of USD 17 million, up from USD 4 million in the previous quarter
- Strong operational cash flow of USD 100 million, up from USD 93 million in the previous quarter
- Reduced bond debt to USD 400 million following redemption of DNO03 (USD 131 million) during the quarter
- The balance sheet remains strong with an equity ratio of 49 percent as the Company exited the quarter with cash deposits of USD 606 million and net cash of USD 171 million
- Dividend of NOK 0.25 per share (totaling USD 23 million) paid during the quarter
- Bestla development (DNO 39 percent) approved by partners in March as a subsea tie-back development to Brage (14.3 percent). Together with DNO's other development projects Andvare (32 percent) and Berling (30 percent), Bestla supports significant North Sea production increase by end of decade
- B-3 well on the operated Baeshiqa license spudded in February, drilling is ongoing

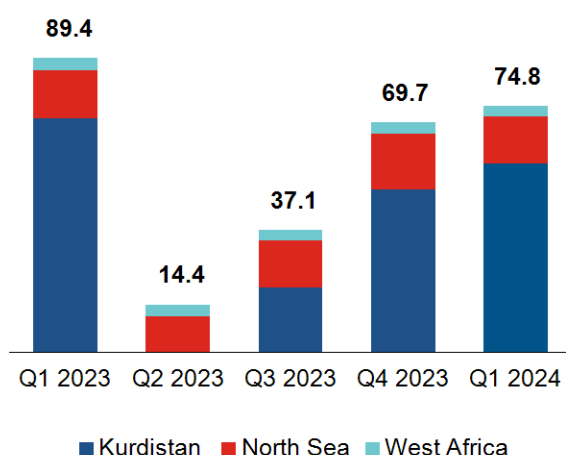
Cover photo: On the Baeshiqa license (64 percent and operator) in Kurdistan, DNO is continuing to drill the B-3 well which in early May 2024 had reached 2,500 meters of a target depth of 3,765 meters.

Operational review

Gross operated production (Thousand boepd)



Net production (Thousand boepd)



Gross production from the Company's operated licenses in Kurdistan increased to an average of 76,310 barrels of oil per day (bopd) during the first quarter, representing a 16% increase from the previous quarter (65,773 bopd). The increase is mainly due to a full quarter of production from the Peshkabir field, offset by a lower production from the Tawke field due to a flooding related temporary shut in during the quarter.

Net production during the first quarter stood at 74,772 barrels of oil equivalent per day (boepd), up from 69,684 boepd in the previous quarter. In Kurdistan, net production averaged 57,232 boepd, up from 49,330 boepd in the previous quarter and North Sea

averaged 14,217 boepd, down from 16,879 boepd in the previous quarter. In addition, the Company's West Africa gas asset offshore Côte d'Ivoire averaged 3,323 boepd, down from 3,476 boepd in the previous quarter. The increase in net production compared to the previous quarter was mainly driven by a full quarter of production from the Peshkabir field, offset by lower production from the North Sea, mainly due to lower uptime at Alve/Marulk gas fields and lower production from Tambar oil field.

Net entitlement (NE) production averaged 34,721 boepd during the first quarter, down from 42,932 boepd in the previous quarter.

Sales volume averaged 38,214 boepd during the first quarter, down from 41,685 boepd in the previous quarter. The decrease in sales volume was related to the Tawke license and follows the reduction in net entitlement production. The net underlift position was 0.11 million barrels of oil equivalent (MMboe) as of end-Q4 (Q4 2023: 0.42 MMboe).

Gross operated production

boepd	Q1 2024	Quarters Q4 2023	Q1 2023	Full-Year 2023
Kurdistan	76,310	65,773	94,720	46,500
North Sea	-	-	-	-
Total	76,310	65,773	94,720	46,500

Table above shows gross operated production from the Group's operated licenses.

Net production

boepd	Q1 2024	Quarters Q4 2023	Q1 2023	Full-Year 2023
Kurdistan	57,232	49,330	70,947	34,850
North Sea	14,217	16,879	14,776	14,203
Sub-total	71,449	66,208	85,723	49,053
West Africa	3,323	3,476	3,676	3,513
Sub-total	3,323	3,476	3,676	3,513
Total	74,772	69,684	89,399	52,566

Net production is based on DNO's percentage ownership in the licenses. West Africa segment is equity accounted.

Net entitlement (NE) production

boepd	Q1 2024	Quarters Q4 2023	Q1 2023	Full-Year 2023
Kurdistan	20,503	26,057	22,691	14,806
North Sea	14,217	16,875	14,776	14,203
Total	34,721	42,932	37,466	29,009

NE production from the North Sea equals the segment's net production.

Sales volume

boepd	Q1 2024	Quarters Q4 2023	Q1 2023	Full-Year 2023
Kurdistan	20,503	26,057	22,691	14,806
North Sea	17,710	15,628	15,865	14,078
Total	38,214	41,685	38,555	28,885

Sales volume reflect North Sea lifted volumes and NE production for Kurdistan.

Activity overview

Kurdistan region of Iraq

Tawke license

Gross production from the DNO-operated Tawke license, containing the Tawke and Peshkabir fields, averaged 76,310 bopd during the first quarter of 2024 (65,773 bopd in Q4 2023).

The Tawke field contributed 28,379 bopd (36,136 bopd in Q4 2023) and the Peshkabir field contributed 47,931 bopd (29,637 bopd in Q4 2023) during this period. Tawke field production was reduced for a period in late March due to torrential flooding that led DNO to temporarily shut in the field for safety reasons.

Production from the license has now largely been restored after the March 2023 Iraq-Türkiye Pipeline shutdown as the Company continues to use road tankers to sell its oil to local trading companies on a cash and carry basis.

The Company is also stepping up investments in its Tawke and Peshkabir fields by restarting completion of three development wells that were discontinued last year as a cost saving measure following the pipeline shutdown. In addition, DNO has deployed its two own intervention rigs to conduct routine workovers, including repairing or replacing pumps, zone stimulations and cleaning out asphaltenes among low-cost, quick turnaround production enhancement measures.

DNO holds a 75 percent operated interest in the Tawke and Peshkabir fields with partner Genel Energy International Limited (25 percent).

Baeshiqa license

Due to the closure of the export pipeline, the DNO-operated Baeshiqa license has not been in production since mid-2023. DNO is continuing to drill the B-3 well spud on 21 February 2024.

DNO holds a 64 percent operated interest in the license (80 percent paying interest) with partners being Turkish Energy Company (TEC) with a 16 percent interest (20 percent paying interest) and the KRG with a 20 percent carried interest.

Net production (bopd) per field in Kurdistan:

bopd	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Tawke	21,284	27,102	33,300	19,933
Peshkabir	35,948	22,228	37,109	14,774
Baeshiqa	-	-	538	143
Total	57,232	49,330	70,947	34,850

North Sea

Net production averaged 14,217 boepd in the North Sea segment during the first quarter of 2024 (16,879 boepd in Q4 2023), of which 13,824 boepd was in Norway and 393 boepd in the United Kingdom (UK) (16,732 boepd and 146 boepd in Q4 2023).

The Norwegian production decrease was mainly due to operational challenges at Norne and Njord host facilities, as well as maintenance at Ula and continued closure of Tambar East.

In the North Sea, which has rapidly developed into a second core area for DNO, the Company maintains a high activity level, pushing for speedier commercialization of its recent string of discoveries. During the quarter, the Bestla development (DNO 39 percent) was approved by partners with startup in H1 2027. Together with two other ongoing developments, namely Andvare (32 percent) and Berling (30 percent), Bestla will support a significant North Sea production increase by late in the decade.

In the first quarter, DNO announced completion of an appraisal well and sidetrack that further delineated the 2023 Heisenberg oil and gas discovery (DNO 49 percent). Oil-bearing sands were also encountered in a deeper secondary target, Hummer.

In January, DNO announced that it had been awarded participation in 14 exploration licenses, of which three are operatorships, under Norway's Awards in Predefined Areas (APA) 2023 licensing round, bringing the Company's total holdings to 82 licenses offshore Norway, of which 14 are operated.

In early February 2024, the Company also announced the acquisition of a 25 percent stake in the producing UK field Arran, which is expected to contribute 2,000-2,500 boepd once the transaction is completed.

Net production (boepd) per field in the North Sea:

boepd	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Alve/Marulk	5,342	6,716	6,736	5,438
Ula area	2,986	3,779	6,022	4,549
Vilje	777	714	1,063	917
Brage	3,036	3,166	845	1,923
Ringhorne E.	342	429	2	187
Fenja	1,711	2,036	-	1,114
Other	23	38	107	74
Total	14,217	16,879	14,776	14,203

Ula area comprises Ula, Tambar, Oda and Blane (UK) fields.

West Africa

The net production from the Company's equity accounted investment, Côte d'Ivoire (West Africa segment), averaged 3,323 boepd in the first quarter of 2024 (3,476 boepd in Q4 2023). In early 2024, two exploration wells were drilled in an exploration block west of the producing assets in Côte d'Ivoire. The exploration results are not considered economic and the wells were expensed.

boepd	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Block CI-27	3,323	3,476	3,676	3,513
Total	3,323	3,476	3,676	3,513

Financial review

Revenues, operating and net results, and cash

Revenues in the first quarter stood at USD 182.7 million, down 8 percent compared to the previous quarter (Q4 2023: USD 199.3 million). Kurdistan generated revenues of USD 60.2 million (Q4 2023: USD 81.3 million), while the North Sea generated revenues of USD 122.5 million (Q4 2023: USD 118.0 million). The main drivers for the revenue decrease were lower entitlement volumes in Kurdistan partly offset by a revenue increase in the North Sea mainly due to higher oil sales partly offset by a decrease in oil and gas prices. Reduction in revenue in Q1 2024 compared to Q1 2023 is mainly due to a significant reduction in realized prices in Kurdistan triggered by the closure of the export pipeline and the transition to local sales.

The Group reported an operating profit of USD 60.6 million in the first quarter, up from an operating profit of USD 37.6 million in the previous quarter mainly due to lower exploration costs expensed and no impairment charges in the current quarter.

Net financial expenses decreased to USD 1.3 million (Q4 2023: USD 9.2 million) mainly due to higher unrealized gain on exchange rate fluctuations.

The Group ended the quarter with a cash balance of USD 606.5 million (Q4 2023: USD 718.8 million) and USD 171.5 million in net cash position (Q4 2023: USD 152.7 million).

Cost of goods sold

In the first quarter, the cost of goods sold amounted to USD 107.5 million, down from USD 115.7 million in the previous quarter. The decrease was mainly due to lower depreciation.

Lifting costs

Lifting costs stood at USD 42.6 million in the first quarter, down from 44.8 million in the previous quarter. In Kurdistan, the average lifting cost was USD 4.0 per barrel, down from USD 4.4 per barrel in the previous quarter driven by higher production. In the North Sea, the average lifting cost stood at USD 17.4 per barrel of oil equivalent (boe), up from USD 15.8 per boe in the previous quarter driven by lower production.

USD million	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	20.7	19.8	37.3	101.7
North Sea	22.5	24.5	24.0	89.7
Total	42.6	44.8	61.3	191.7

(USD/boe)	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	4.0	4.4	5.8	8.0
North Sea	17.4	15.8	17.9	17.3
Average	6.6	7.3	7.9	10.7

Depreciation, depletion and amortization (DD&A)

DD&A related to the Group's oil and gas production assets amounted to USD 48.4 million in the first quarter, down from USD 59.2 million in the previous quarter. The decrease in DD&A was mainly driven by a decrease in entitlement volumes in Kurdistan.

USD million	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	32.6	42.7	36.6	96.5
North Sea	15.8	16.6	6.6	44.1
Total	48.4	59.2	43.2	140.6

(USD/boe)	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	17.5	17.8	17.9	17.8
North Sea	12.2	10.7	4.9	8.5
Average	15.3	15.0	12.8	13.3

Exploration costs expensed

Exploration costs expensed in the first quarter amounted to USD 8.2 million, down from USD 18.3 million in the previous quarter. The decrease in exploration costs expensed compared to the previous quarter was mainly due to lower seismic and field survey expenses.

USD million	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	-	-	-	-
North Sea	8.2	18.3	6.6	47.7
Total	8.2	18.3	6.6	47.7

Capital expenditures

Capital expenditures stood at USD 54.3 million in the first quarter, of which USD 10.2 million were in Kurdistan and USD 43.9 million in the North Sea.

USD million	Quarters			Full-Year 2023
	Q1 2024	Q4 2023	Q1 2023	
Kurdistan	10.2	7.0	39.7	73.0
North Sea	43.9	63.1	34.0	204.4
Other	0.2	0.1	0.2	0.9
Total	54.3	70.2	73.9	278.3

Consolidated statements of comprehensive income

(unaudited, in USD million)	Note	Quarters		Full-Year
		Q1 2024	Q1 2023	2023
Revenues	2,3	182.7	268.9	667.5
Cost of goods sold	4	-107.5	-104.8	-364.8
Gross profit		75.2	164.1	302.7
Share of profit/-loss from Joint Venture		-0.4	2.1	11.9
Other income/-expenses		-	0.4	1.6
Administrative expenses		-6.1	-4.2	-23.3
Other operating expenses		-	-0.5	-7.9
Impairment oil and gas assets	7	-	-	-24.9
Exploration expenses	5	-8.2	-6.6	-47.7
Net gain on disposal of licenses	11	-	-	5.8
Operating profit/-loss		60.6	155.3	218.3
Financial income		14.7	20.4	45.0
Financial expenses	9,10	-16.0	-17.5	-112.0
Profit/-loss before income tax		59.3	158.2	151.3
Tax income/-expense	6	-42.5	-70.8	-132.7
Net profit/-loss		16.8	87.4	18.6
Other comprehensive income				
Currency translation differences		-14.6	-16.4	-10.9
Items that may be reclassified to profit or loss in later periods		-14.6	-16.4	-10.9
Total comprehensive income, net of tax		2.1	71.0	7.7
Net profit/-loss attributable to:				
Equity holders of the parent		16.8	87.4	18.6
Total comprehensive income attributable to:				
Equity holders of the parent		2.1	71.0	7.7
Earnings per share, basic (USD per share)		0.02	0.09	0.02
Earnings per share, diluted (USD per share)		0.02	0.09	0.02
Weighted average number of shares outstanding (millions)		975.00	995.45	980.04

Consolidated statements of financial position

ASSETS		At 31 Mar		At 31 Dec
(unaudited, in USD million)	Note	2024	2023	2023
Non-current assets				
Goodwill	7	40.9	53.1	43.2
Other intangible assets	7	208.3	108.8	202.1
Property, plant and equipment	7	1,096.9	1,098.9	1,133.2
Investment in Joint Venture		63.2	69.9	67.9
Other non-current receivables	9	129.8	-	129.8
Total non-current assets		1,539.1	1,330.8	1,576.2
Current assets				
Inventories	8	76.5	54.1	77.8
Trade and other receivables	9	249.2	415.9	265.4
Tax receivables	6	-	26.5	-
Cash and cash equivalents		606.5	910.5	718.8
Total current assets		932.1	1,407.1	1,062.1
TOTAL ASSETS		2,471.2	2,737.9	2,638.3
EQUITY AND LIABILITIES				
(unaudited, in USD million)	Note	At 31 Mar		At 31 Dec
		2024	2023	2023
Equity				
Shareholders' equity		1,213.7	1,365.2	1,234.8
Total equity		1,213.7	1,365.2	1,234.8
Non-current liabilities				
Deferred tax liabilities	6	202.9	83.9	192.4
Interest-bearing liabilities	10	392.9	520.6	392.0
Provisions for other liabilities and charges	11	390.8	368.1	404.0
Total non-current liabilities		986.7	972.7	988.4
Current liabilities				
Trade and other payables	12	191.5	186.0	221.1
Income taxes payable	6	24.1	119.7	4.6
Current interest-bearing liabilities	10	35.0	35.0	166.2
Provisions for other liabilities and charges	11	20.3	59.3	23.3
Total current liabilities		270.8	400.0	415.1
Total liabilities		1,257.5	1,372.7	1,403.5
TOTAL EQUITY AND LIABILITIES		2,471.2	2,737.9	2,638.3

Consolidated cash flow statement

(unaudited, USD million)	Note	Quarters		Full-Year
		Q1 2024	Q1 2023	2023
Operating activities				
Profit/-loss before income tax		59.3	158.2	151.3
Adjustments to add/-deduct non-cash items:				
Exploration cost previously capitalized carried to cost	5	0.1	-	6.0
Depreciation, depletion and amortization	4	49.8	44.6	146.4
Impairment oil and gas assets	7	-	-	24.9
Time value effects on trade receivables	9	-	-	44.3
Share of profit/-loss from Joint Venture		0.4	-2.1	-11.9
Amortization of borrowing issue costs	10	0.9	0.8	3.3
Accretion expense on ARO provisions		4.7	4.4	17.4
Interest expense		9.2	11.7	44.6
Interest income		-7.1	-7.9	-36.5
Other		-6.9	-13.2	-10.0
Change in working capital items and provisions:				
- Inventories	8	1.4	-7.1	-30.8
- Trade and other receivables	9	16.2	21.3	-2.3
- Trade and other payables	12	-29.6	-58.1	-23.0
- Provisions for other liabilities and charges	11	1.6	1.9	-28.7
Cash generated from operations		100.0	154.6	294.9
Net income taxes paid/tax refund received		-	-43.1	-89.5
Interest received		4.7	6.5	35.3
Interest paid		-10.5	-11.5	-46.4
Net cash from/-used in operating activities		94.2	106.5	194.2
Investing activities				
Purchases of intangible assets		-18.2	-17.3	-114.6
Purchases of tangible assets		-36.1	-56.6	-163.6
Payments for decommissioning		-0.7	-5.8	-17.9
Acquisition of subsidiary, net of cash acquired		-	-	-
Payments for license transactions and disposal of financial investments		-	-	-5.1
Equity contribution into Joint Venture		-3.3	-2.1	-6.9
Dividends from Joint Venture		7.7	10.2	27.1
Net cash from/-used in investing activities		-50.5	-71.6	-281.0
Financing activities				
Repayment of borrowings	10	-131.2	-	-
Purchase of treasury shares		-	-50.6	-50.7
Paid dividend		-23.3	-24.6	-92.0
Payments of lease liabilities		-0.6	-2.4	-4.3
Net cash from/-used in financing activities		-154.9	-77.6	-147.0
Net increase/-decrease in cash and cash equivalents		-111.3	-42.7	-233.8
Cash and cash equivalents at beginning of the period		718.8	954.3	954.3
Exchange gain/-losses on cash and cash equivalents		-1.1	-1.1	-1.9
Cash and cash equivalents at the end of the period		606.5	910.5	718.8
Of which restricted cash		15.2	23.5	14.3

Consolidated statement of changes in equity

(unaudited, in USD million)	Share capital	Share premium	Other comprehensive income	Retained earnings	Total equity
			Currency translation differences		
Total shareholders' equity as of 31 December 2022	33.9	343.6	-29.0	1,020.9	1,369.4
Currency translation differences	-	-	-16.4	-	-16.4
Other comprehensive income/-loss	-	-	-16.4	-	-16.4
Profit/-loss for the period	-	-	-	87.4	87.4
Total comprehensive income	-	-	-16.4	87.4	71.0
Purchase of treasury shares	-1.1	-	-	-49.5	-50.6
Payment of dividend	-	-	-	-24.6	-24.6
Transactions with shareholders	-1.1	-	-	-74.1	-75.2
Total shareholders' equity as of 31 March 2023	32.8	343.6	-45.4	1,034.2	1,365.2

(unaudited, in USD million)	Share capital	Share premium	Other comprehensive income	Retained earnings	Total equity
			Currency translation differences		
Total shareholders' equity as of 31 December 2023	32.8	343.6	-39.9	898.3	1,234.8
Currency translation differences	-	-	-14.6	-	-14.6
Other comprehensive income/-loss	-	-	-14.6	-	-14.6
Profit/-loss for the period	-	-	-	16.8	16.8
Total comprehensive income	-	-	-14.6	16.8	2.2
Payment of dividend	-	-	-	-23.3	-23.3
Transactions with shareholders	-	-	-	-23.3	-23.3
Total shareholders' equity as of 31 March 2024	32.8	343.6	-54.5	891.8	1,213.7

Notes to the consolidated interim financial statements

Note 1 | Basis of preparation and accounting policies

Principal activities and corporate information

DNO ASA (the Company) and its subsidiaries (DNO or the Group) are engaged in international oil and gas exploration, development and production.

Basis of preparation

DNO ASA's consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* and IFRS standards issued and effective at date of reporting as adopted by the EU. These interim financial statements have also been prepared in accordance with Oslo Stock Exchange regulations.

The interim financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the DNO ASA Annual Report and Accounts 2023.

The interim financial information for 2024 and 2023 is unaudited.

Subtotals and totals in some of the tables included in these interim financial statements may not equal the sum of the amounts shown due to rounding.

The interim financial statements have been prepared on a historical cost basis, with the following exception: liabilities related to share-based payments, derivative financial instruments and equity instruments are recognized at fair value. A detailed description of the accounting policies applied is included in the DNO ASA Annual Report and Accounts 2023.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of DNO ASA Annual Report and Accounts 2023.

Note 2 | Segment information

The Group reports the following three operating segments: Kurdistan, North Sea (which includes the Group's oil and gas activities in Norway and the UK) and West Africa (which represents the Group's equity accounted investment in Côte d'Ivoire). The segment assets/liabilities do not include internal receivables/liabilities.

First quarter ending 31 March 2024 USD million	Note	Kurdistan	North Sea	West Africa	Other	Total reporting segments	Un- allocated/ eliminated	Total Group
Income statement information								
Revenues	3	60.2	122.5	-	-	182.7	-	182.7
Cost of goods sold	4	-53.4	-53.9	-	-	-107.2	-0.2	-107.5
Gross profit		6.8	68.6	-	-	75.4	-0.2	75.2
Share of profit/-loss from Joint Venture		-	-	-0.4	-	-0.4	-	-0.4
Administrative and other operating costs		-0.1	-1.7	-	-0.6	-2.4	-3.7	-6.1
Exploration costs	5	-	-8.2	-	-	-8.2	-	-8.2
Operating profit/-loss		6.7	58.8	-0.4	-0.6	64.5	-3.9	60.6
Financial income/-expense (net)	10	-2.5	2.1	0.3	0.1	-	-1.3	-1.3
Tax income/-expense	6	-	-42.5	-	-	-42.5	-	-42.5
Net profit/-loss		4.2	18.3	-0.0	-0.5	22.0	-5.3	16.8
Financial position information								
Non-current assets		832.6	629.8	81.3	-	1,543.7	-4.6	1,539.0
Current assets		230.2	319.2	-	1.6	550.9	381.2	932.1
Total assets		1,062.7	949.0	81.3	1.6	2,094.6	376.6	2,471.2
Non-current liabilities		70.5	505.9	-	-	576.4	410.3	986.7
Current liabilities		83.9	164.5	-	7.9	256.3	14.5	270.8
Total liabilities		154.4	670.5	-	7.9	832.7	424.8	1,257.5

Note 2 | Segment information

First quarter ending 31 March 2023 USD million	Note	Kurdistan	North Sea	West Africa	Other	Total reporting segment	Un- allocated/ eliminated	Total Group
Income statement information								
Revenues	3	137.6	131.3	-	-	268.9	-	268.9
Cost of goods sold	4	-74.0	-29.8	-	-	-103.9	-0.9	-104.8
Gross profit		63.6	101.4	-	-	165.0	-0.9	164.1
Share of profit/-loss from Joint Venture		-	-	2.1	-	2.1	-	2.1
Other operating income		-	0.4	-	-	0.4	-	0.4
Administrative and other operating costs		-0.4	-2.2	-	-0.4	-3.1	-1.6	-4.7
Exploration costs	5	-	-6.6	-	-	-6.6	-	-6.6
Operating profit/-loss		63.2	93.0	2.1	-0.4	157.9	-2.5	155.3
Financial income/-expense (net)	10	1.0	7.9	-	0.1	9.1	-6.1	2.9
Tax income/-expense	6	-	-70.8	-	-	-70.8	-	-70.8
Net profit/-loss		64.2	30.1	2.1	-0.4	96.1	-8.7	87.4
Financial position information								
Non-current assets		753.1	500.1	69.9	-	1,323.1	7.7	1,330.8
Current assets		384.6	376.2	-	11.5	772.4	634.7	1,407.1
Total assets		1,137.8	876.4	69.9	11.5	2,095.5	642.4	2,737.9
Non-current liabilities		68.9	374.7	-	-	443.6	529.1	972.7
Current liabilities		97.2	243.7	-	41.1	382.1	17.9	400.0
Total liabilities		166.2	618.5	-	41.1	825.7	547.0	1,372.7

Note 3 | Revenues

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Sale of oil	150.0	207.8	506.2
Sale of gas	24.9	50.9	137.3
Sale of natural gas liquids (NGL)	7.1	9.6	21.6
Tariff income	0.6	0.7	2.4
Total revenues from contracts with customers	182.7	268.9	667.5
Sale of oil (bopd)	31,822	31,293	22,856
Sale of gas (boepd)	4,885	5,421	4,746
Sale of natural gas liquids (NGL) (boepd)	1,508	1,841	1,282
Total sales volume (boepd)	38,214	38,555	28,885

Note 4 | Cost of goods sold

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Lifting costs	-42.6	-61.3	-191.7
Tariff and transportation expenses	-7.7	-8.3	-32.4
Production costs based on produced volumes	-50.3	-69.6	-224.1
Movement in overlift/underlift	-7.4	9.5	5.6
Production costs based on sold volumes	-57.7	-60.2	-218.4
Depreciation, depletion and amortization	-49.8	-44.6	-146.4
Total cost of goods sold	-107.5	-104.8	-364.8

Note 5 | Exploration expenses

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Exploration expenses (G&G and field surveys)	-3.6	-2.7	-15.0
Seismic costs	-	-0.3	-9.9
Exploration costs capitalized this year carried to cost	-0.1	-	-6.0
Other exploration cost expensed	-4.5	-3.6	-16.8
Total exploration expenses	-8.2	-6.6	-47.7

Note 6 | Income taxes

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Tax income/-expense			
Change in deferred taxes	-22.3	-25.9	-125.8
Income tax receivable/-payable	-20.2	-44.9	-6.9
Total tax income/-expense	-42.5	-70.8	-132.7

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Income tax receivable/-payable			
Tax receivables (current)	-	26.5	-
Income taxes payable	-24.1	-119.7	-4.6
Net tax receivable/-payable	-24.1	-93.2	-4.6

The tax balances relate to the activity on the Norwegian Continental Shelf (NCS).

Under the terms of the Production Sharing Contracts (PSC) in the Kurdistan region of Iraq, the Company's subsidiary, DNO Iraq AS, is not required to pay any corporate income taxes. The share of profit oil of which the government is entitled to is deemed to include a portion representing the notional corporate income tax paid by the government on behalf of DNO. Current and deferred taxation arising from such notional corporate income tax is not calculated for Kurdistan as there is uncertainty related to the tax laws of the Kurdistan Regional Government (KRG) and there is currently no well-established tax regime for international oil companies.

Profits/-losses by Norwegian companies from upstream activities outside of Norway are not taxable/deductible in Norway in accordance with the General Tax Act, section 2-39. Under these rules, only certain financial income and expenses are taxable in Norway.

Note 7 | Intangible assets/ Property, plant and equipment (PP&E)

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Additions of intangible assets	18.2	17.3	114.6
Transfers to/-from intangible assets	-	-	-3.3
Additions of tangible assets	37.0	56.6	178.3
Transfers to/-from tangible assets	-	-	3.3
Additions of right-of-use (RoU) assets	-	-	10.7
Depreciation, depletion and amortization (Note 4)	-49.8	-44.6	-146.4
Impairment oil and gas assets	-	-	-24.9
Exploration cost previously capitalized carried to cost (Note 5)	-0.1	-	-6.0

Additions of intangible assets are related to exploration and evaluation expenditures (successful efforts method), license interests and administrative software. Additions of tangible assets are related to oil and gas development and production assets including changes in estimate of asset retirement, and other tangible assets. Additions of right-of-use (RoU) assets are related to lease contracts under IFRS 16 *Leases*, see Note 11.

Note 8 | Inventory

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Drilling equipment, spare parts and consumables	93.9	56.0	95.2
Provision for obsolete inventory	-17.4	-1.9	-17.4
Total inventory	76.5	54.1	77.8

Book value of inventory as of the reporting date relates to Kurdistan (USD 64.0 million) and the North Sea (USD 12.5 million).

Note 9 | Other non-current receivables/ Trade Receivables

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Trade debtors (non-current portion)	129.8	-	129.8
Total other non-current receivables	129.8	-	129.8
Trade debtors	148.9	327.3	149.5
Underlift	6.1	15.6	12.1
Other short-term receivables	94.2	73.0	103.8
Total trade and other receivables	249.2	415.9	265.4

As of 31 March 2024, the Company was owed a total of USD 315 million, excluding any interest, by the KRG mainly related to sales of DNO's entitlement share of oil to the KRG for the months October 2022 through March 2023 plus part of the amount invoiced for oil sold to the KRG in September 2022. These receivables are past due. The Company continues to engage with the KRG regarding collection of the arrears and expects that it will recover the full invoiced amount as has occurred in the past, but the timing of recovery is uncertain. During 2023, due to accounting requirements to incorporate the time value of money, the Company reduced the book value of the KRG arrears by USD 44.3 million (presented under *Financial expenses* in the income statement) when comparing the book value of these arrears with the present value of the estimated future cash flows. As of 31 March 2024, the Company made a re-run of the estimated present value with updated assumptions, resulting in no change to the book value of KRG arrears.

The underlift receivable as of the reporting date relates to North Sea underlifted volumes. Other short-term receivables mainly relate to items of working capital in licenses in Kurdistan and the North Sea and accrual for earned income not invoiced in the North Sea.

Note 10 | Interest-bearing liabilities

Interest-bearing liabilities

USD million	Ticker	Facility currency	Interest	Maturity	At 31 Mar		At 31 Dec
					2024	2023	2023
Non-current							
Bond loan (ISIN NO0010852643)	DNO03	USD	8.375 %	29/05/24	-	131.2	-
Bond loan (ISIN NO0011088593)	DNO04	USD	7.875 %	09/09/26	400.0	400.0	400.0
Capitalized borrowing issue costs					-7.1	-10.5	-8.0
Reserve based lending facility		USD	see below	see below	-	-	-
Total non-current interest-bearing liabilities					392.9	520.6	392.0
Current							
Bond loan (ISIN NO0010852643)	DNO03	USD	8.375 %	29/05/24	-	-	131.2
Reserve based lending facility		USD	see below	see below	35.0	35.0	35.0
Total current interest-bearing liabilities					35.0	35.0	166.2
Total interest-bearing liabilities					427.9	555.6	558.2

Changes in liabilities arising from financing activities split on cash and non-cash changes

USD million	At 1 Jan 2024	Cash		Non-cash changes		At 31 Mar 2024
		flows	Amortization	Currency	Reclassification	
Bond loans	400.0	-	-	-	-	400.0
Bond loans (current)	131.2	-131.2	-	-	-	-
Borrowing issue costs	-8.0	-	0.9	-	-	-7.1
Reserve based lending facility (current)	35.0	-	-	-	-	35.0
Total	558.2	-131.2	0.9	-	-	427.9

USD million	At 1 Jan 2023	Cash		Non-cash changes		At 31 Mar 2023
		flows	Amortization	Currency	Reclassification	
Bond loans	531.2	-	-	-	-	531.2
Borrowing issue costs	-11.3	-	0.8	-	-	-10.5
Reserve based lending facility	26.6	-	-	-	-26.6	-
Reserve based lending facility (current)	8.4	-	-	-	26.6	35.0
Total	554.8	-	0.8	-	-	555.6

Facility and carrying amount for the bonds is shown net of bonds held by the Company. On 22 January 2024, DNO ASA fully completed a USD 131.2 million call option redemption of the DNO03 bond at a price of 100 percent plus accrued interest.

As of 31 March 2024, the Group had a reserve-based lending (RBL) facility for its Norwegian and UK production licenses with a total facility limit of USD 270 million which is available for both debt and issuance of letters of credit. The borrowing base amount of the facility from 1 January 2024 is USD 100 million. Amount utilized as of the reporting date is disclosed in the table above. In addition, as of 31 March 2024, USD 24.2 million is utilized in respect of letters of credit.

For additional information about the Group's interest-bearing liabilities, refer to the DNO ASA Annual Report and Accounts 2023.

Note 11 | Provisions for other liabilities and charges/ Lease liabilities

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Non-current			
Asset retirement obligations (ARO)	371.1	357.4	382.7
Other long-term provisions and charges	7.1	5.1	7.3
Lease liabilities	12.6	5.7	14.0
Total non-current provisions for other liabilities and charges	390.8	368.1	404.0
Current			
Asset retirement obligations (ARO)	9.5	14.9	10.6
Other provisions and charges	7.3	40.7	9.1
Current lease liabilities	3.4	3.7	3.6
Total current provisions for other liabilities and charges	20.3	59.3	23.3
Total provisions for other liabilities and charges	411.1	427.4	427.2

Asset retirement obligations

The provisions for ARO are based on the present value of estimated future cost of decommissioning oil and gas assets in Kurdistan and the North Sea. The discount rates before tax applied were between 4.9 percent and 5.0 percent.

Non-cancellable lease commitments

The recognized lease liabilities in the balance sheet are mainly related to office rent. The identified lease liabilities have no significant impact on the Group's financing, loan covenants or dividend policy. The Group does not have any residual value guarantees. Extension options are included in the lease liability when, based on the management's judgement, it is reasonably certain that an extension will be exercised. Non-lease components are not included as part of the lease liabilities.

Undiscounted lease liabilities and maturity of cash outflows (non-cancellable):

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Within one year	4.8	4.1	4.8
Two to five years	10.5	5.5	11.8
After five years	4.6	-	5.4
Total undiscounted lease liabilities end of the period	19.9	9.6	22.0

The table above summarizes the Group's maturity profile of the lease liabilities based on contractual undiscounted payments.

Note 12 | Trade and other payables

USD million	At 31 Mar		At 31 Dec
	2024	2023	2023
Trade payables	51.5	50.3	70.5
Public duties payable	4.2	4.1	4.3
Prepayments from customers	1.8	-	21.2
Overlift	28.9	1.6	1.2
Other accrued expenses	105.1	130.1	123.9
Total trade and other payables	191.5	186.0	221.1

Trade payables are non-interest bearing and normally settled within 30 days.

Trade payables and other accrued expenses include items of working capital related to participation in oil and gas licenses in Kurdistan and the North Sea, and prepayment from customers related to oil sales in the North Sea.

The overlift payable relates to overlifted volumes, valued at production cost including depreciation.

Note 13 | Subsequent events after the reporting date

DNO acquires interest in NCS oil and gas fields from Vår Energi ASA

On 8 May 2024, the Company announced that its wholly-owned subsidiary, DNO Norge AS, has entered into an agreement to acquire several oil and gas fields on the Norwegian Continental Shelf from Vår Energi ASA. The consideration consists of USD 51 million in cash and the transfer of DNO's 22.62 percent interest in the Ringhorn East unit field. The transaction is expected to add more than eight million barrels of oil equivalent net to DNO. The effective date is set to 1 January 2024 and the transaction is, subject to authorities' approval, expected to close during Q3 2024.

Investment decision in the Brasse field, renamed Bestla

On 8 April 2024, the Company announced that final investment decision has been made for the development of the Brasse field, renamed to Bestla, based on a tie-back to the nearby production facilities of the Brage field. Bestla (PL740), located in the northern North Sea, is estimated to contain 24 million barrels of oil equivalent (MMboe) in recoverable reserves and is expected to come on stream as early as the first half of 2027, subject to government approval of a plan for development and operation (PDO) submitted in April. The Company through its wholly owned subsidiary, DNO Norge AS, holds a 39.3 percent interest in the Bestla license.

Alternative performance measures

DNO discloses alternative performance measures (APMs) as a supplement to the Group's financial statements prepared based on issued guidelines from the European Securities and Markets Authority (ESMA). The Company believes that the APMs provide useful supplemental information to management, investors, securities analysts and other stakeholders and are meant to provide an enhanced insight into the financial development of DNO's business operations, financing and future prospects and to improve comparability between periods. Reconciliations of relevant APMs, definitions and explanations of the APMs are provided below.

EBITDA

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Revenues	182.7	268.9	667.5
Lifting costs	-42.6	-61.3	-191.7
Tariff and transportation	-7.7	-8.3	-32.4
Movement in overlift/underlift	-7.4	9.5	5.6
Share of profit/-loss from Joint Venture	-0.4	2.1	11.9
Exploration expenses	-8.2	-6.6	-47.7
Administrative expenses	-6.1	-4.2	-23.3
Other operating income/expenses	-	-0.1	-6.2
EBITDA	110.4	200.0	383.8

EBITDAX

USD million	Q1 2024	Q1 2023	2023
EBITDA	110.4	200.0	383.8
Exploration expenses	8.2	6.6	47.7
EBITDAX	118.6	206.6	431.5

Lifting costs

	Q1 2024	Q1 2023	2023
Lifting costs (USD million)	-42.6	-61.3	-191.7
Net production (MMboe)*	6.5	7.7	17.9
Lifting costs (USD/boe)	6.6	7.9	10.7

* For accounting purposes, the net production from equity accounted investments is excluded.

Capital expenditures

	Q1 2024	Q1 2023	2023
Purchases of intangible assets	-18.2	-17.3	-114.6
Purchases of tangible assets*	-36.1	-56.6	-163.6
Capital expenditures	-54.3	-73.9	-278.3

* Excludes estimate changes on asset retirement obligations.

Alternative performance measures

Operational spend

USD million	Quarters		Full-Year
	Q1 2024	Q1 2023	2023
Lifting costs	-42.6	-61.3	-191.7
Tariff and transportation expenses	-7.7	-8.3	-32.4
Exploration expenses	-8.2	-6.6	-47.7
Exploration cost previously capitalized carried to cost (Note 5)	0.1	-0.0	6.0
Purchases of intangible assets	-18.2	-17.3	-114.6
Purchases of tangible assets	-36.1	-56.6	-163.6
Payments for decommissioning	-0.7	-5.8	-17.9
Operational spend	-113.3	-156.0	-561.9

Free cash flow

USD million	Q1 2024	Q1 2023	2023
Net cash from/-used in operating activities	94.2	106.5	194.2
Capital expenditures	-54.3	-73.9	-278.3
Payments for decommissioning	-0.7	-5.8	-17.9
Equity contribution into Joint Venture	-3.3	-2.1	-6.9
Dividends from Joint Venture	7.7	10.2	27.1
Free cash flow	43.6	35.0	-81.7

Equity ratio

USD	Q1 2024	Q1 2023	2023
Equity	1,213.7	1,365.2	1,234.8
Total assets	2,471.2	2,737.9	2,638.3
Equity ratio	49.1%	49.9%	46.8%

Net debt

USD million	Q1 2024	Q1 2023	2023
Cash and cash equivalents (including restricted cash)	606.5	910.5	718.8
Bond loans and reserve based lending (Note 10)	435.0	566.2	566.2
Net cash/-debt	171.5	344.4	152.7

Alternative performance measures

Definitions and explanations of APMs

ESMA issued guidelines on APMs that came into effect on 3 July 2016. The Company has defined and explained the purpose of the following APMs:

EBITDA (Earnings before interest, tax, depreciation and amortization)

EBITDA, as reconciled above, can be found by excluding the DD&A and impairment of oil and gas assets from the profit/-loss from operating activities. Management believes that this measure provides useful information regarding the Group's ability to fund its capital investments and provides a helpful measure for comparing its operating performance with those of other companies.

EBITDAX (Earnings before interest, tax, depreciation, amortization and exploration expenses)

EBITDAX, as reconciled above, can be found by excluding the exploration expenses from the EBITDA. Management believes that this measure provides useful information regarding the Group's profitability and ability to fund its exploration activities and provides a helpful measure for comparing its performance with those of other companies.

Lifting costs (USD/boe)

Lifting costs comprise of expenses related to the production of oil and gas, including operation and maintenance of installations, well intervention activities and insurances. DNO's lifting costs per boe are calculated by dividing DNO's share of lifting costs across producing assets by net production for the relevant period. Management believes that the lifting cost per boe is a useful measure because it provides an indication of the Group's level of operational cost effectiveness between time periods and with those of other companies.

Capital expenditures

Capital expenditures comprise the purchase of intangible and tangible assets irrespective of whether paid in the period. Management believes that this measure is useful because it provides an overview of capital investments used in the relevant period.

Operational spend

Operational spend is comprised of lifting costs, tariff and transportation expenses, exploration expenses, capital expenditures and payments for decommissioning. Management believes that this measure is useful because it provides a complete overview of the Group's total operational costs, capital investments and payments for decommissioning used in the relevant period.

Equity ratio

The equity ratio is calculated by dividing total equity by the total assets. Management uses the equity ratio to monitor its capital and financial covenants (see Note 9 in the consolidated accounts). The equity ratio also provides an indication of how much of the Group's assets are funded by equity.

Free cash flow

Free cash flow comprises net cash from/-used in operating activities less capital expenditures, payments for decommissioning and net cash received/-paid from equity accounted investments. Management believes that this measure is useful because it provides an indication of the profitability of the Group's operating activities excluding the non-cash items of the income statement and includes operational spend. This measure also provides a helpful measure for comparing with that of other companies.

Net debt

Net debt comprises cash and cash equivalents less bond loans and reserve based lending facility. Management believes that net debt is a useful measure because it provides indication of the minimum necessary debt financing (if the figure is negative) to which the Group is subject at the reporting date.

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