



**2021
Interim Results
Presentation**

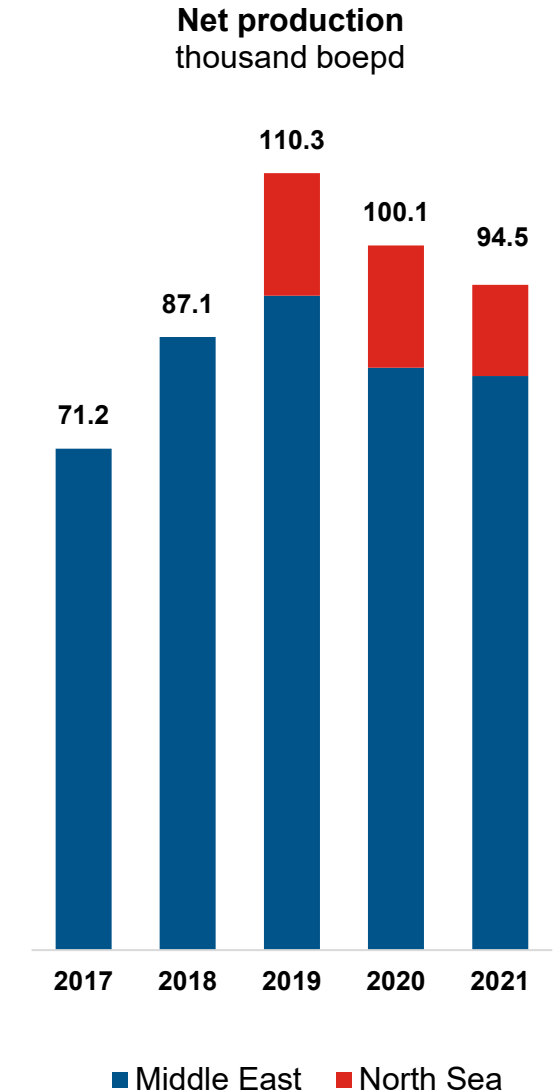


2021 Operational and financial highlights

Cover photo: Signing of the Baeshiqa first phase development plan by the license Management Committee chairperson Dr Khazal Auzer (KRG) and vice chairperson Tom Allan (DNO).

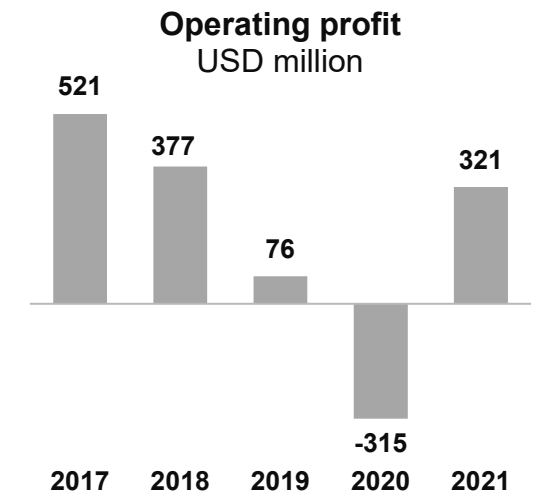
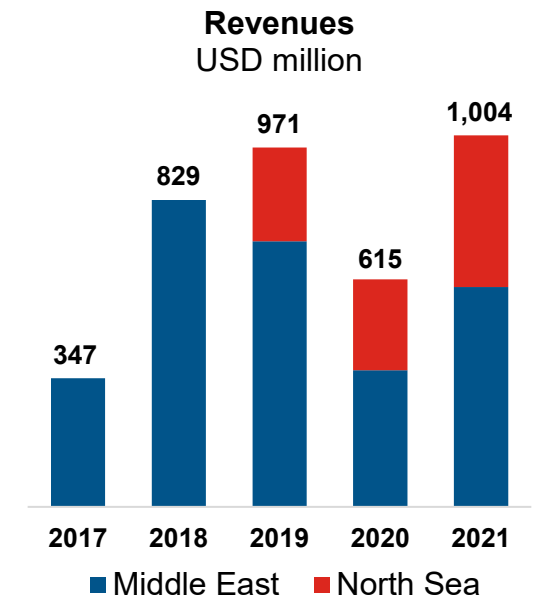
2021 operational highlights

- Net production to DNO's interest of 94,500 barrels of oil equivalent per day (boepd) in 2021 (94,200 boepd in Q4 2021), of which 81,500 barrels of oil per day (bopd) from the Kurdistan region of Iraq (80,600 in Q4 2021)
- North Sea contributed another 12,900 boepd (13,600 boepd in Q4 2021), down from 2020 levels due to natural decline, delayed new production and planned maintenance
- Five North Sea exploration wells led to four discoveries, of which two likely commercial
- Exited 2021 with net 2P reserves (proven plus probable) of 321 million barrels of oil equivalent (MMboe) and 2C contingent resources of 189 MMboe
- In Kurdistan, Baeshiqa license development approved and fast-tracked with early production expected before midyear 2022
- DNO had 90 licenses across its portfolio at yearend 2021 (23 operated), of which two in Kurdistan, 73 in Norway, 11 in the United Kingdom, two in the Netherlands, one in Ireland and one in Yemen; Awarded 10 additional APA licenses in Norway in January 2022



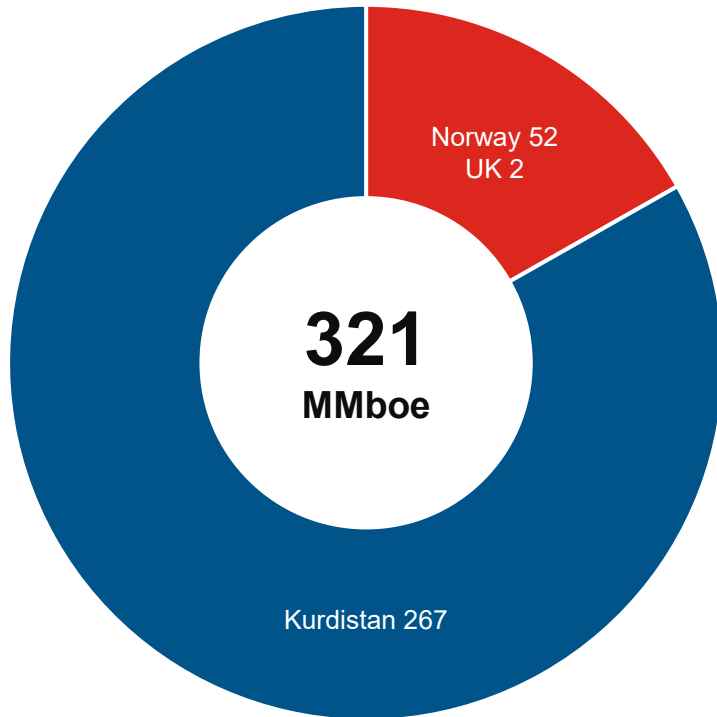
2021 financial highlights

- Record revenues topped USD 1 billion in 2021, up 63 percent from a year earlier, on back of high oil and gas prices and solid production
- North Sea revenue boosted by spot gas price exposure in strong European market
- Return to profitability with operating profit of USD 321 million
- Exited 2021 with net debt of USD 153 million, down from USD 473 million a year earlier
- Resumed dividend payments
- New USD 400 million five-year bond issued, refinancing prior bond facility, lowering average debt interest rate and extending maturities
- On a cash basis, received USD 537 million from Kurdistan in 2021 (USD 398 million towards entitlements, USD 48 million towards overrides and USD 90 million towards payment arrears)
- Yearend outstanding Kurdistan arrears of USD 169 million down from USD 259 million

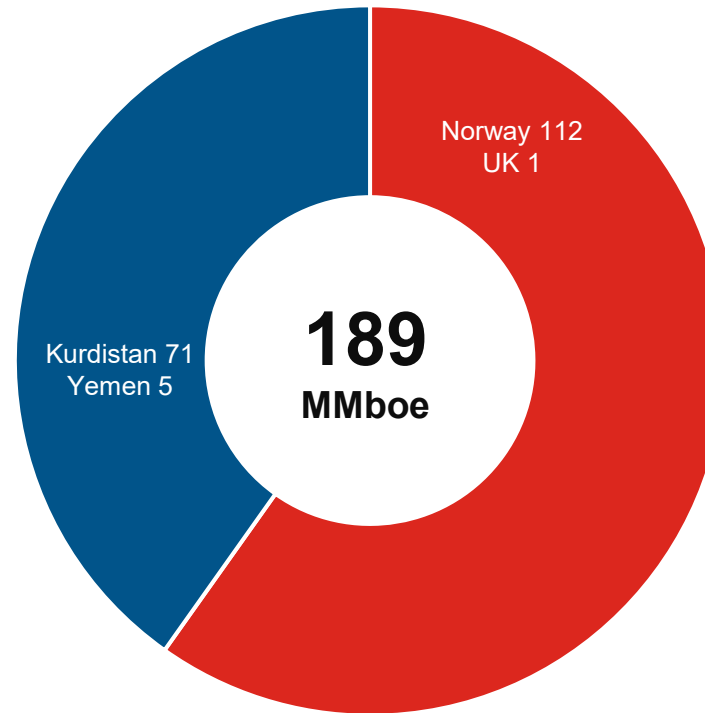


Reserves and resources overview

2P Reserves



Contingent Resources (2C)



■ Middle East ■ North Sea

9.3 years

2P reserves-to-
production ratio

14.8 years

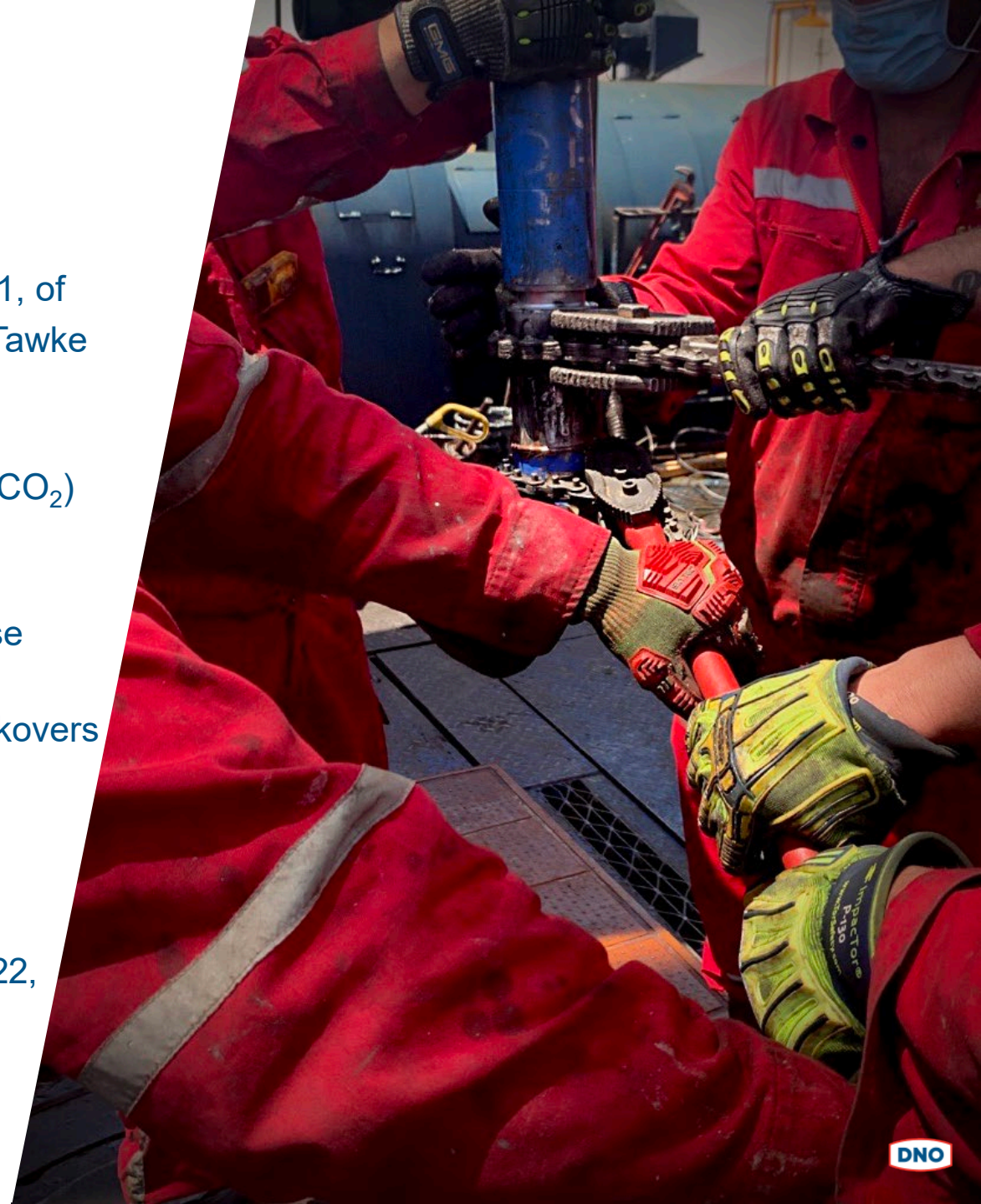
2P reserves+contingent
(2C)-to- production ratio

Net to DNO at yearend 2021 in million barrels of oil equivalent (MMboe)

Preliminary figures subject to final release

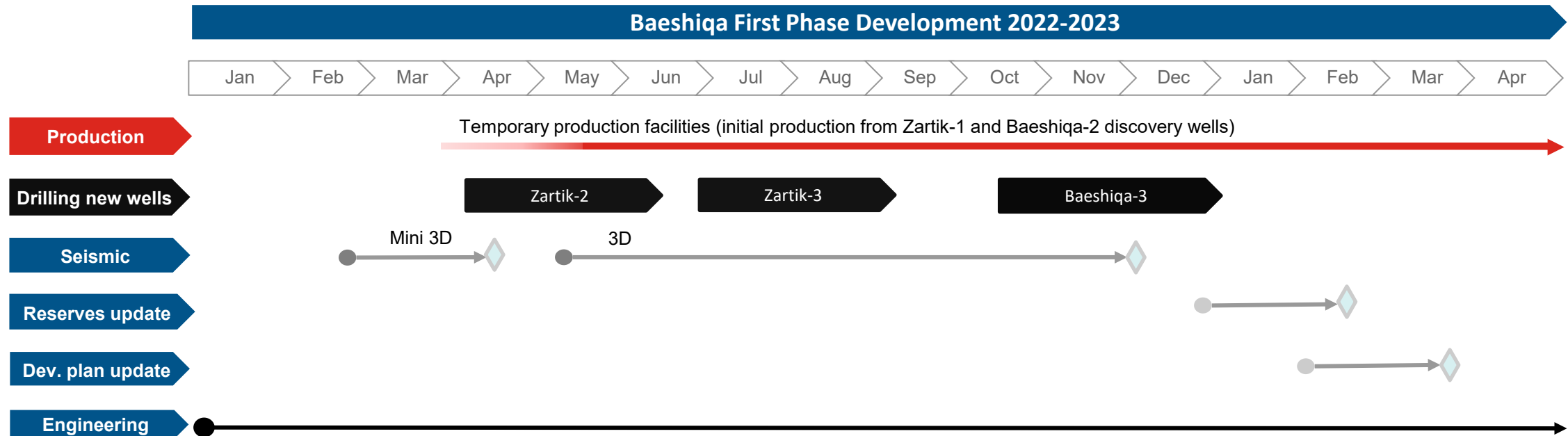
Kurdistan operations

- Tawke license gross production averaged 108,700 bopd in 2021, of which Peshkabir field 61,800 bopd (52,700 bopd in 2020) and Tawke field 46,900 bopd (57,600 bopd in 2020)
- Captured and injected 7.6 billion cubic feet (461,500 tonnes of CO₂) of otherwise flared Peshkabir gas into Tawke field in 2021
- Drilling at Tawke field resumed in Q3 2021 after 18-month pause
- Production decline was partially offset by gas injection and workovers
- Ramping up drilling on Tawke license in 2022 with focus on the legacy Tawke field
- Projected Tawke license gross production of 105,000 bopd in 2022, plus in excess of 4,000 bopd from Baeshiqa license



Organic growth in Kurdistan with Baeshiqa development

- DNO's first new field development in Kurdistan since Peshkabir startup in 2017
- As with Peshkabir, fast-tracking production; re-entering two discovery wells and drilling three new wells in 2022
- Well test production totaling 15,000 barrels of 40 degree API oil from Baeshiqa-2 and 22 degree API oil from Zartik-1 trucked to export market at time of discovery
- DNO holds a 64 percent interest (80 percent paying) alongside partners TEC and KRG



North Sea operations

- 2021 North Sea net production of 12,900 boepd (17,400 in 2020), down due to natural decline, delayed new production and planned maintenance
- Seven development wells and five exploration wells drilled in 2021
- Four discoveries, of which two likely commercial, notably Røver Nord (DNO 20 percent) and deeper Åre formation of Bergknapp discovery made in 2020 (DNO 30 percent)
- Projecting average 2022 net production to remain around 13,000 boepd
- Seven 2022 exploration wells planned in proven basins with moderate risk profile
- Plugging and abandonment of Oselvar and Ketch wells completed in 2021

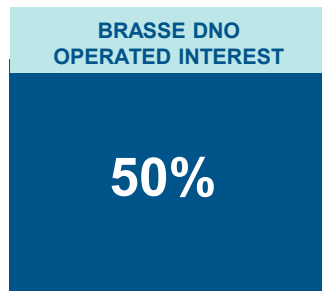
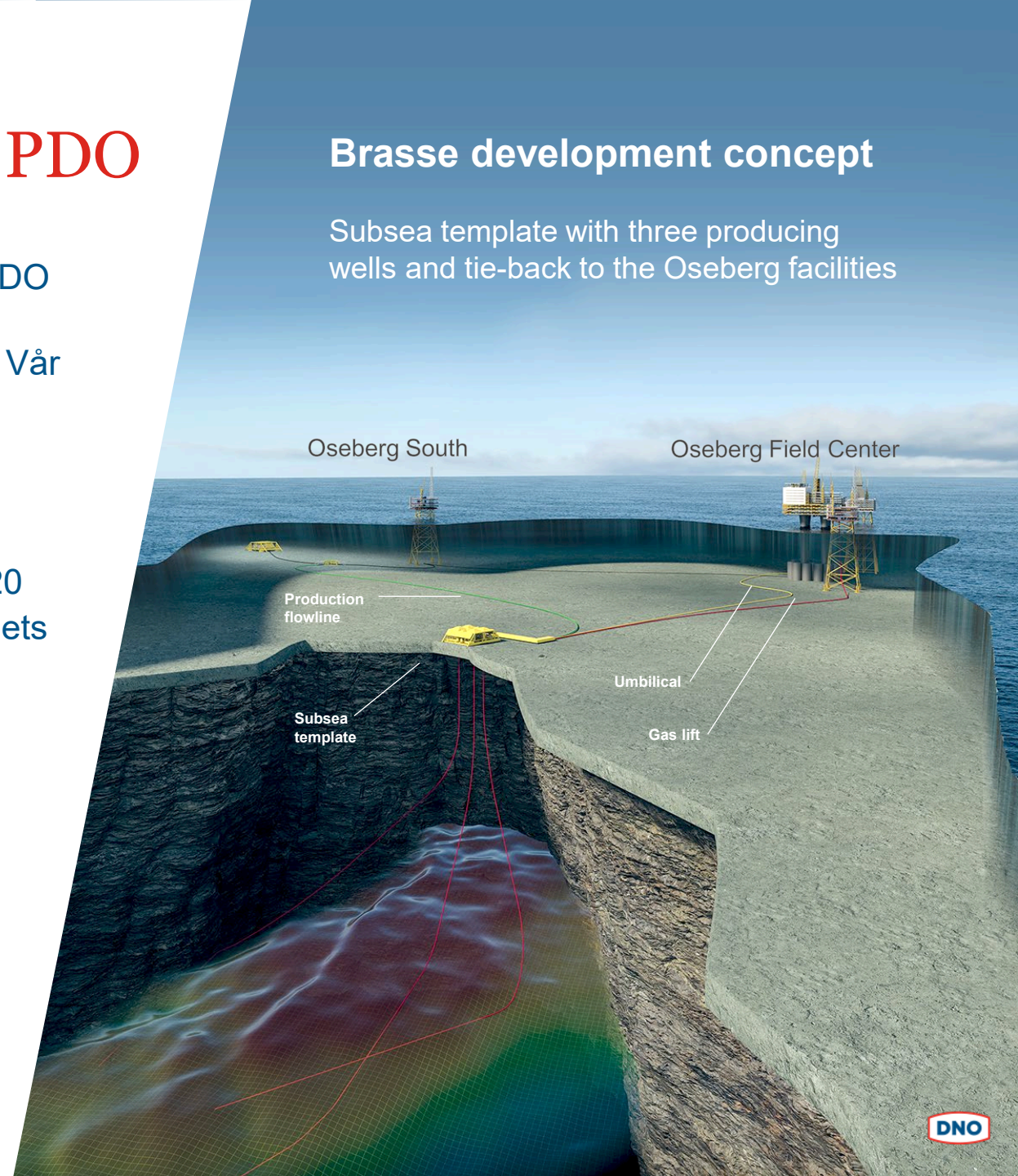


Four projects closing in on 2022 PDO

- Brasse (DNO 50 percent and operator) on track for 2022 PDO
- Work ongoing to finalize development concept with partner Vår Energi and host (Oseberg) operator Equinor
- Subsea frame agreement reached with Technip FMC
- Elsewhere offshore Norway, partner-operated Iris-Hades (20 percent), Gjøk (32 percent) and Orion (20 percent) are targets for 2022 project sanction

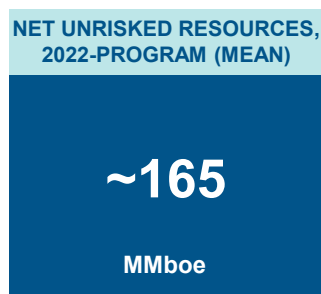
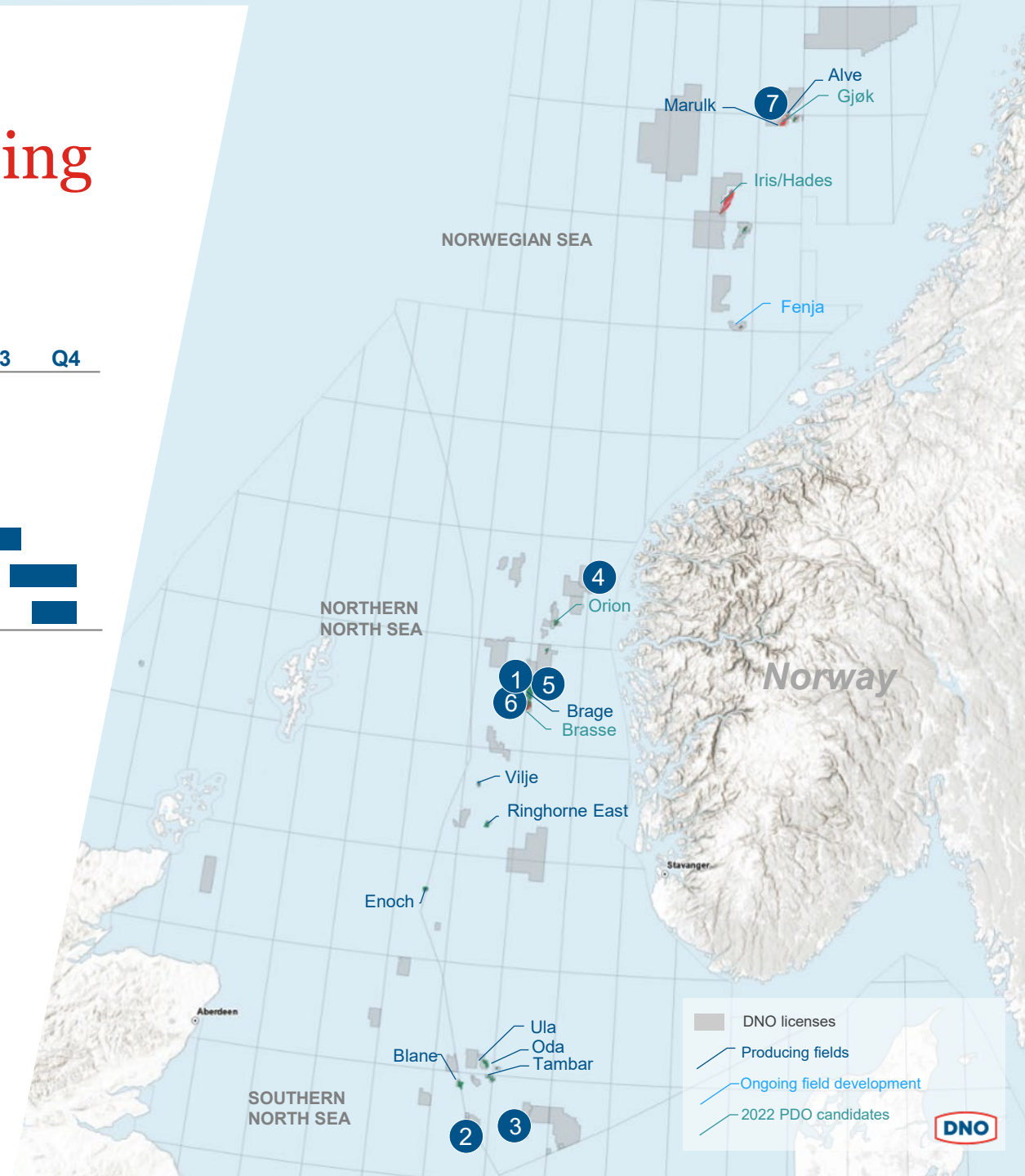
Brasse development concept

Subsea template with three producing wells and tie-back to the Oseberg facilities



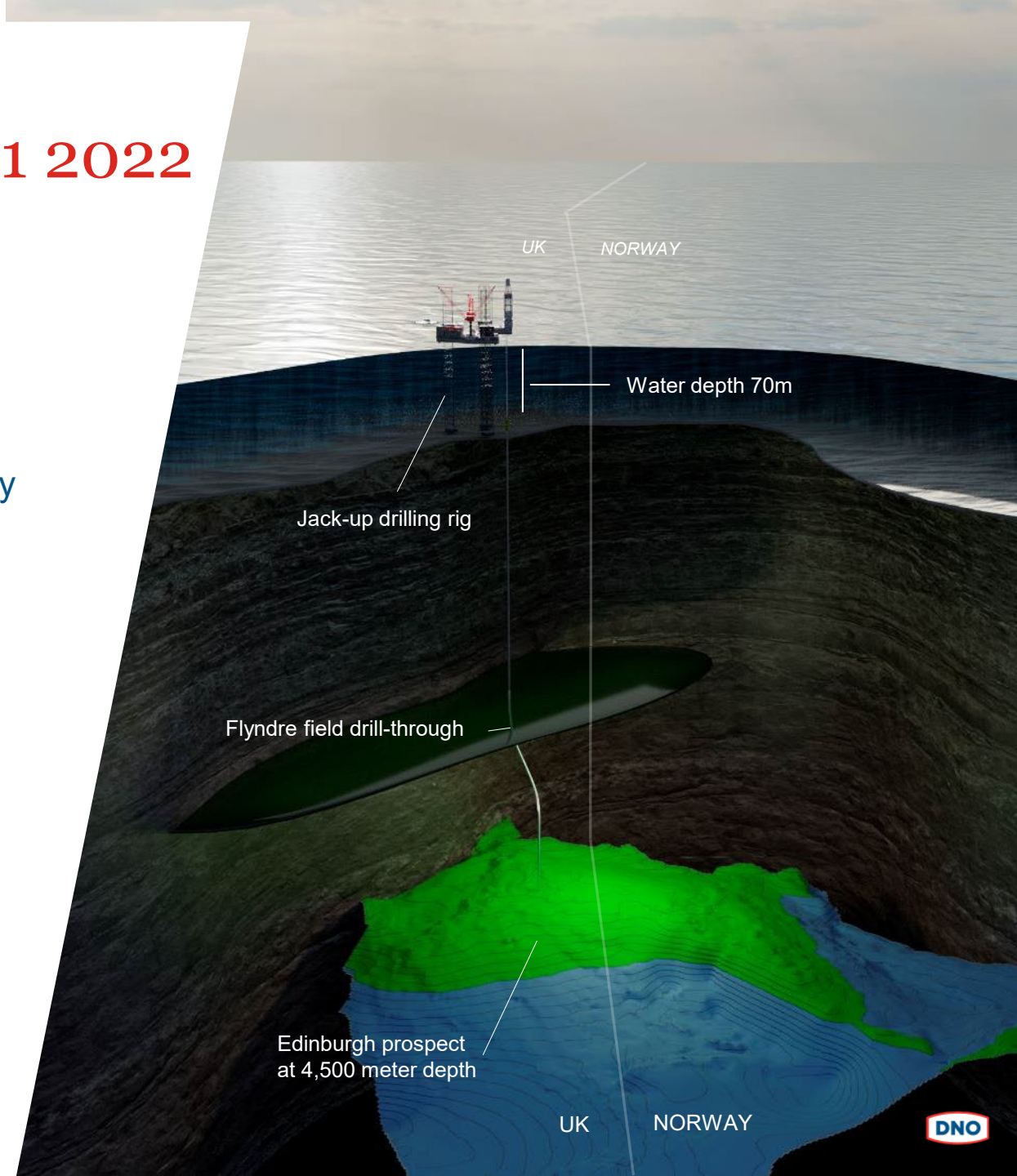
North Sea 2022 exploration drilling

	Licence	Prospect	Type	Gross volumes, MMboe	CoS	DNO interest	2022			
							Q1	Q2	Q3	Q4
1	P293B	Kveikje	Exploration	10-25	55%	29%	■			
2	P2401/PL969	Edinburgh	Exploration	100-675	29%	45%	■	■		
3	PL1085	Overly	Exploration	5-80	64%	25%		■		
4	PL929	Ofelia	Exploration	10-40	50%	10%		■		
5	PL923	Røver Sør	Exploration	20-50	86%	20%			■	
6	PL055	Brage South	Exploration	4-30	39%	14%				■
7	PL943	Uer	Exploration	10-95	31%	30%				■



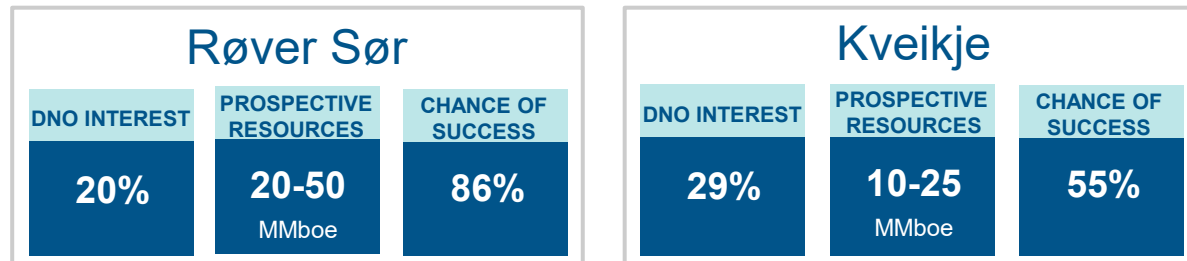
Edinburgh prospect to spud in Q1 2022

- One of the largest undrilled structures in the North Sea
- Edinburgh prospect straddles UK/Norway border
- DNO drove the cross-border alignment and equalized equity of 45 percent across all four UK/Norway licenses
- High-pressure high-temperature well operated by Shell will spud in Q1 2022



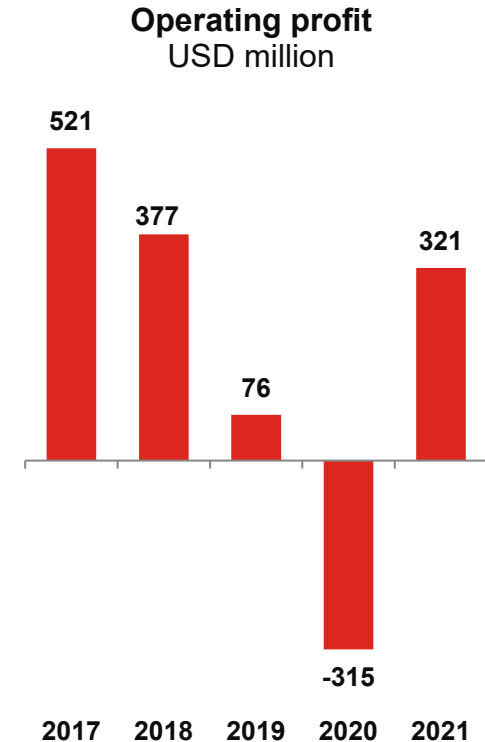
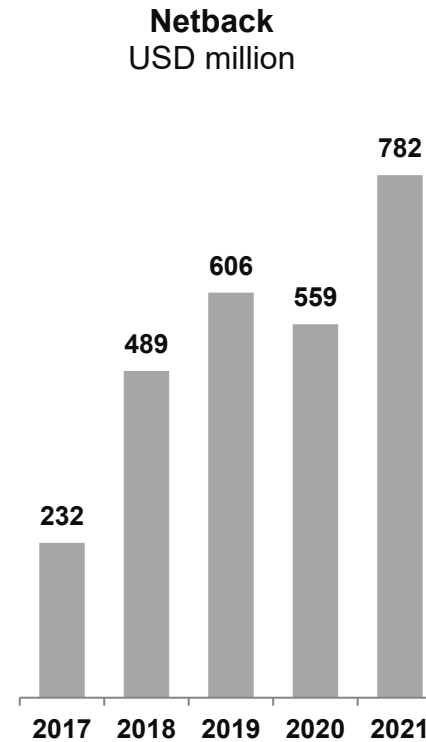
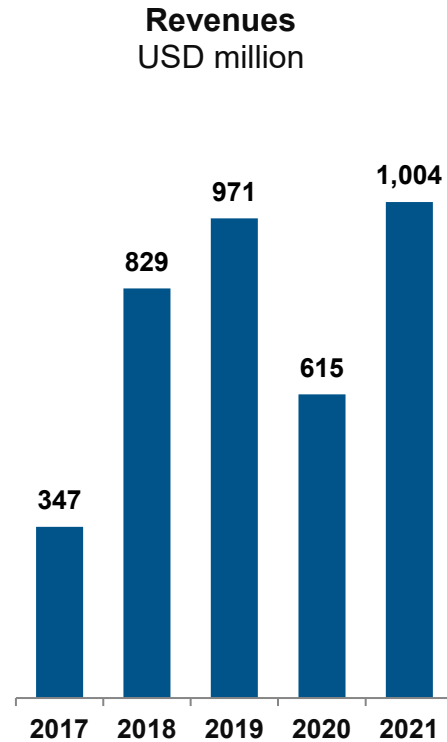
Following Røver Nord success, more DNO wells in highly prospective area

- String of recent discoveries northwest of Norway's giant Troll field leading to stepped up exploration interest in area
- Kveikje exploration well (DNO 29 percent) to spud in Q1 2022
- Røver Sør exploration well (DNO 20 percent) scheduled for Q3 2022 and has been de-risked by the 2021 Røver Nord discovery in the same license
- Strong DNO presence with participation in multiple licenses close to infrastructure



2021 financial review

DNO financial results – key figures



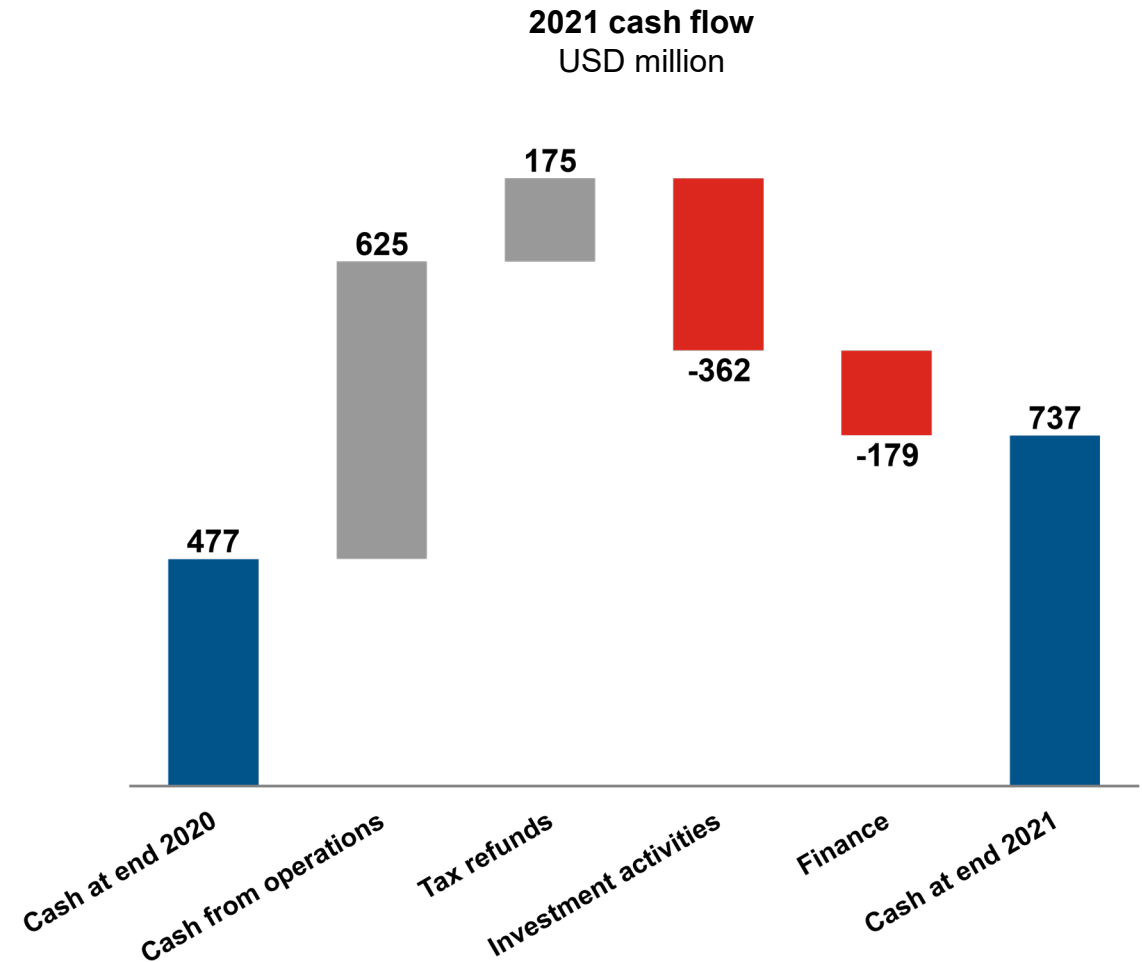
- Revenues exceeded USD 1 billion in 2021, all-time high for DNO
- Norway tax refunds contributed to record netback of USD 782 million
- Returning to profitability with operating profit of USD 321 million after loss-making 2020

Financial summary

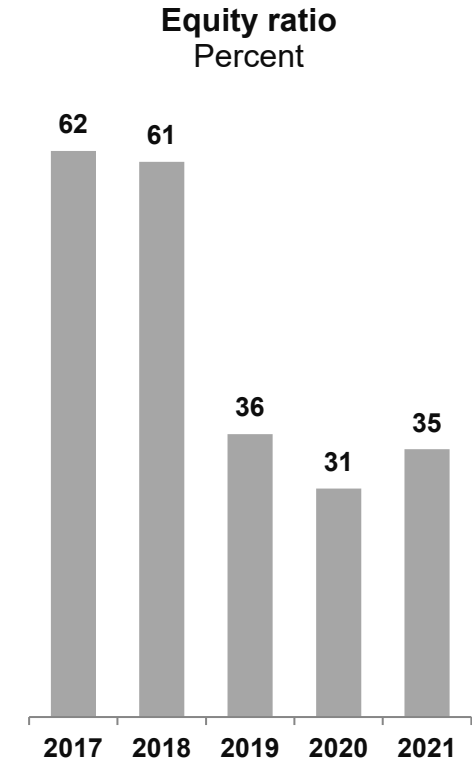
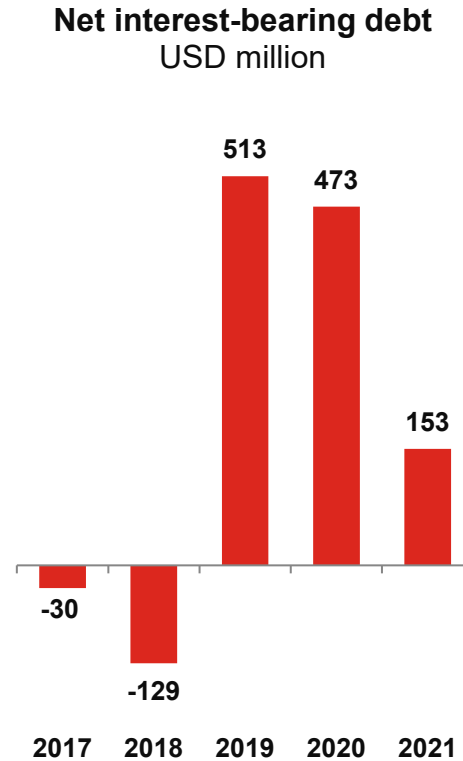
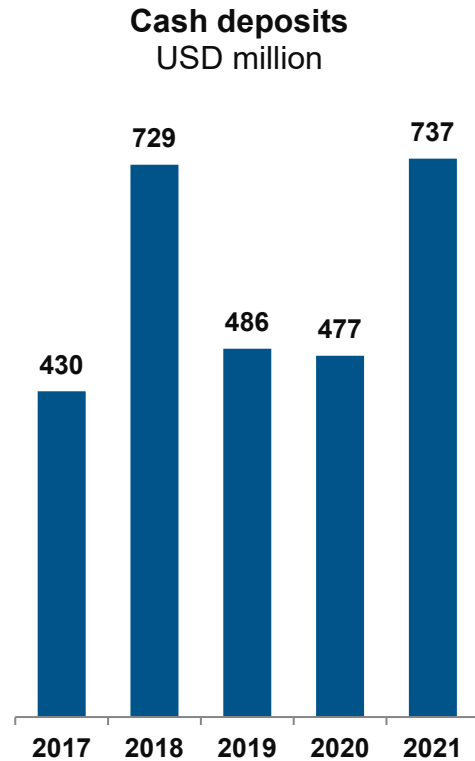
USD million	Q4 2021	Q3 2021	2021	2020
Revenues	396.5	253.5	1,004.1	614.9
Production costs	-52.9	-56.8	-218.8	-217.3
Movement in overlift/underlift	-58.8	2.1	-18.3	-11.3
Depreciation, depletion and amortization	-53.3	-51.0	-206.0	-361.4
Cost of goods sold	-165.1	-105.6	-443.1	-590.0
Gross profit	231.4	147.8	561.0	24.9
Expensed exploration	-58.6	-36.4	-132.3	-55.9
Administrative expenses	-9.5	-4.6	-16.2	-4.8
Other operating income/-expenses	-7.9	-1.1	-11.5	-2.7
Impairment of oil and gas assets	-27.3	-40.3	-80.1	-276.0
Profit/-loss from operating activities	128.2	65.4	320.9	-314.5
Net finance	-23.2	-28.6	-100.7	-111.2
Profit/-loss before income tax	104.9	36.9	220.1	-425.8
Tax income/-expense	-40.1	-6.0	-16.3	139.8
Net profit/-loss	64.8	30.9	203.9	-285.9

2021 cash flow

- Operational cash flow of USD 625 million in 2021 (USD 253 million in 2020)
- North Sea tax refunds of USD 175 million received in 2021 (USD 236 million in 2020)
- Investment activities of USD 362 million (USD 256 million in 2020) comprise of USD 276 million in net asset investments and USD 86 million in decommissioning
- Net cash outflows from financing activities of USD 179 million (outflows of USD 242 million in 2020) driven by interest costs, reduced outstanding amount under RBL-facility and dividend payment



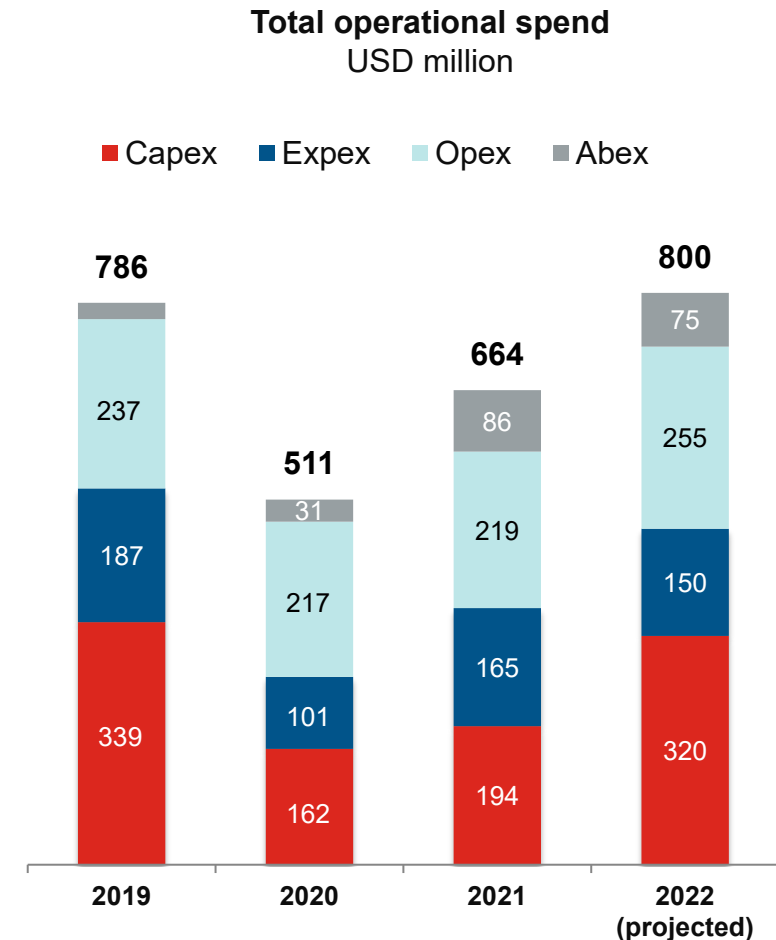
Capital structure



- Strengthening of balance sheet with increased cash deposits
- Net interest-bearing debt down by USD 319 million to USD 153 million in 2021

Ramping up operational spend in 2022

- Planned operational spend of USD 800 million in 2022 driven by ramp up of Tawke drilling and Baeshiqa first phase development
- Estimated Kurdistan capex accounts for around 60 percent of projected 2022 capex and can be quickly adjusted up or down
- Active exploration program including six wells offshore Norway and the cross-border Edinburgh prospect to be drilled on the UK side
- Abandonment expense (abex) in 2022 primarily relating to Schooner plugging and abandonment in the UK



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