



TENNYSON Morning news – Afentra PLC – Angola update

Tennyson Securities, Energy Research

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Afentra (AET LN) has released a reassuring progress report on its Angola assets. Gross production continues its upward trend, with combined output of ~23,700 bopd YTD (AET ~6,995 bopd net) – versus ~22,000 bopd in December 2023 and 20,200 bopd in FY23. The next programme of light well interventions is underway and expected to support current production levels. We are currently carrying 18,000 bopd (AET ~5,400 bopd net) in our FY24 forecasts, which looks comfortable, even taking into account planned maintenance work in Q3 2024. In Feb, Afentra sold its first crude cargo of the year of 450k bbls, generating US\$38.2m of revenue (pre-tax) net to the company, at a healthy realised price of US\$85/bbl (premium to Brent).

In other news – the company has received approval from the Angolan Competition Authority for the Azule acquisition (12% of Block 3/05 & 16.33% of Block 3/05A) and expects ministerial approval shortly, allowing for deal completion in Q2 2024 (vs. earlier guidance Q1 2024). Importantly, Afentra continues to benefit from accrued cash flow since the effective date which will be reflected in the cash payment upon final completion. Azule is the last of three acquisitions in Angola upping Afentra's stake in Block 3/05 to 30% and 3/05A to 21.33%.

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