



RystadEnergy

Global Upstream trends and Colombia market outlook

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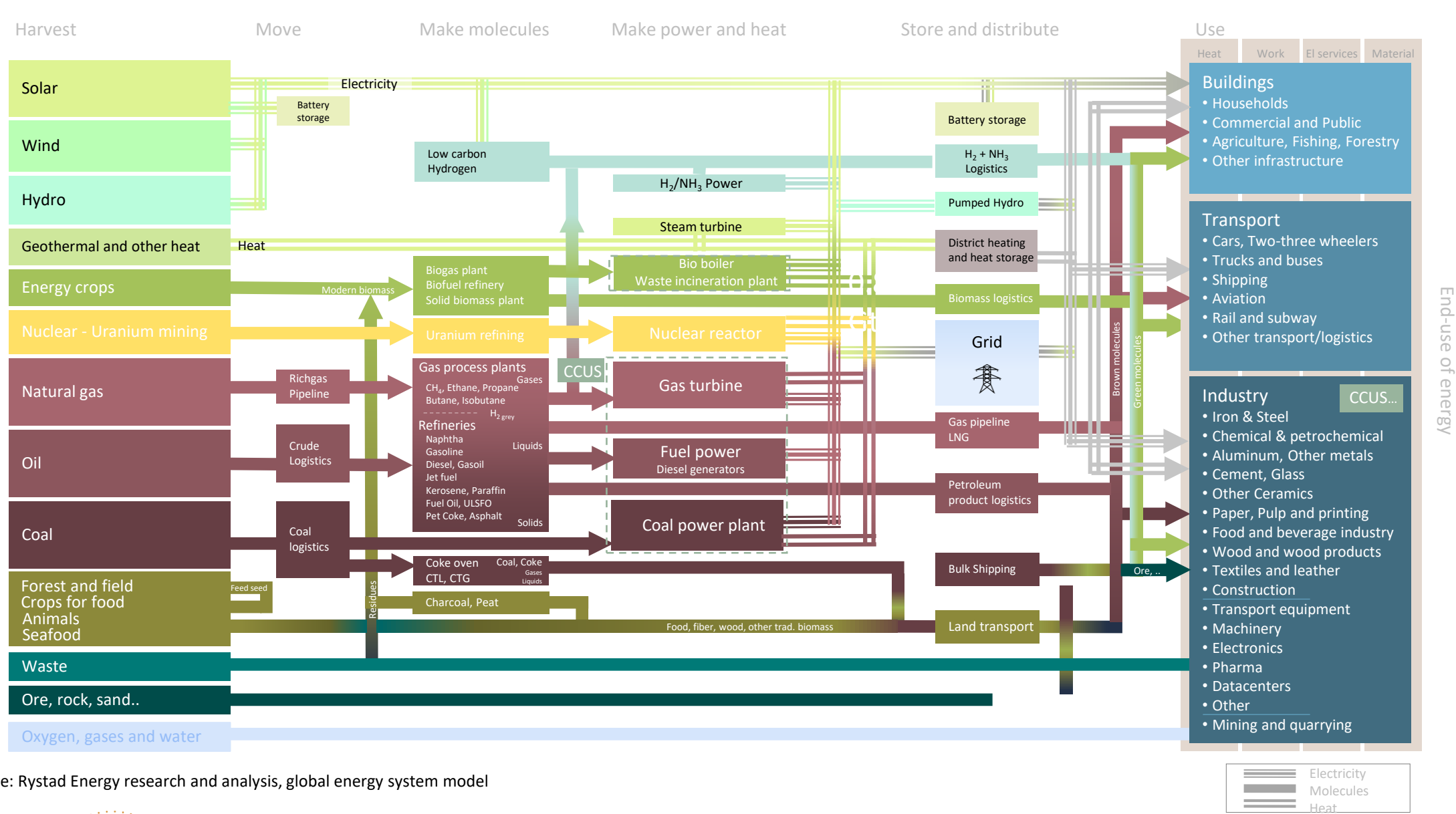
Agenda

- 1 Long-term global upstream trends
- 2 Short-term global upstream trends
- 3 Latin America position in the E&P sector
- 4 Colombia Oil and Gas outlook

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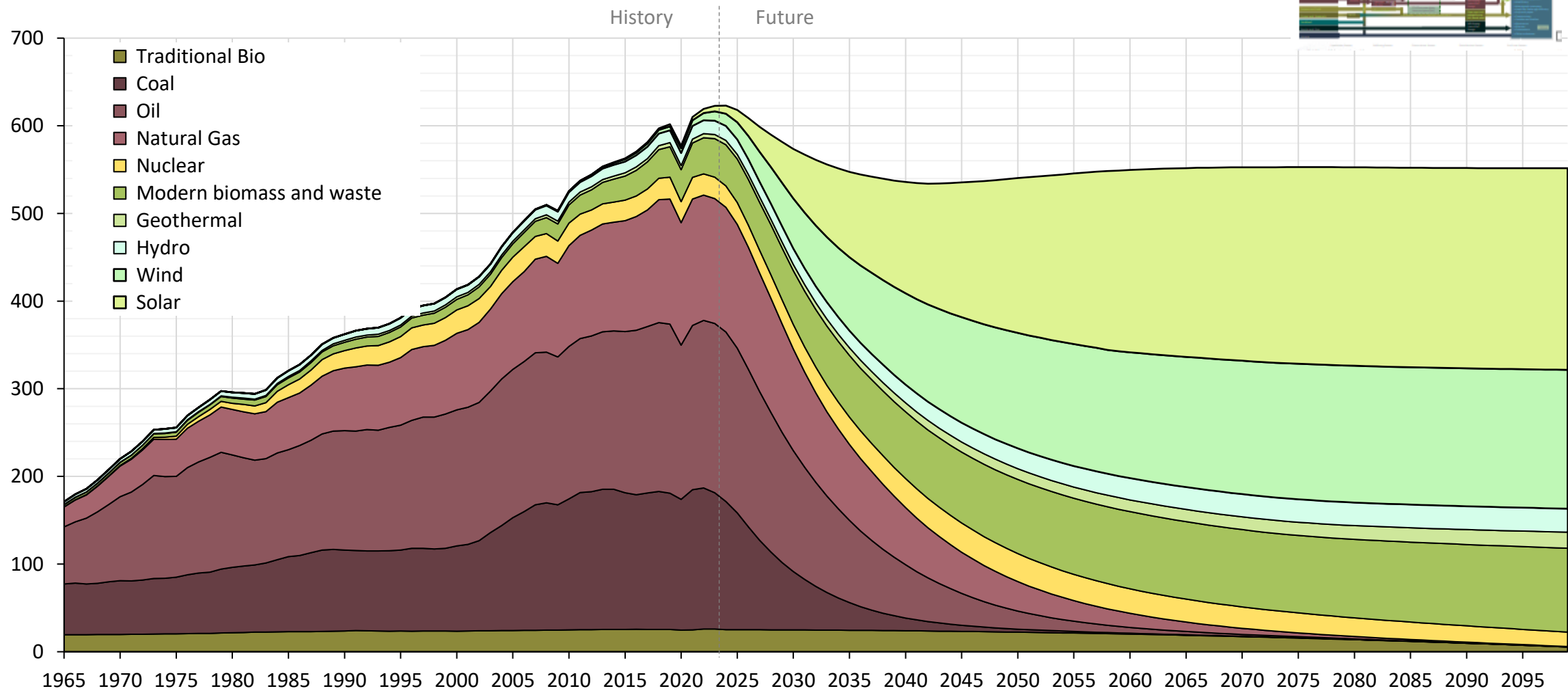
The global energy system



Source: Rystad Energy research and analysis, global energy system model

Primary energy consumption to switch from fossil to renewables

Primary energy capacities in the 1.5 DG scenario, by energy source
EJ

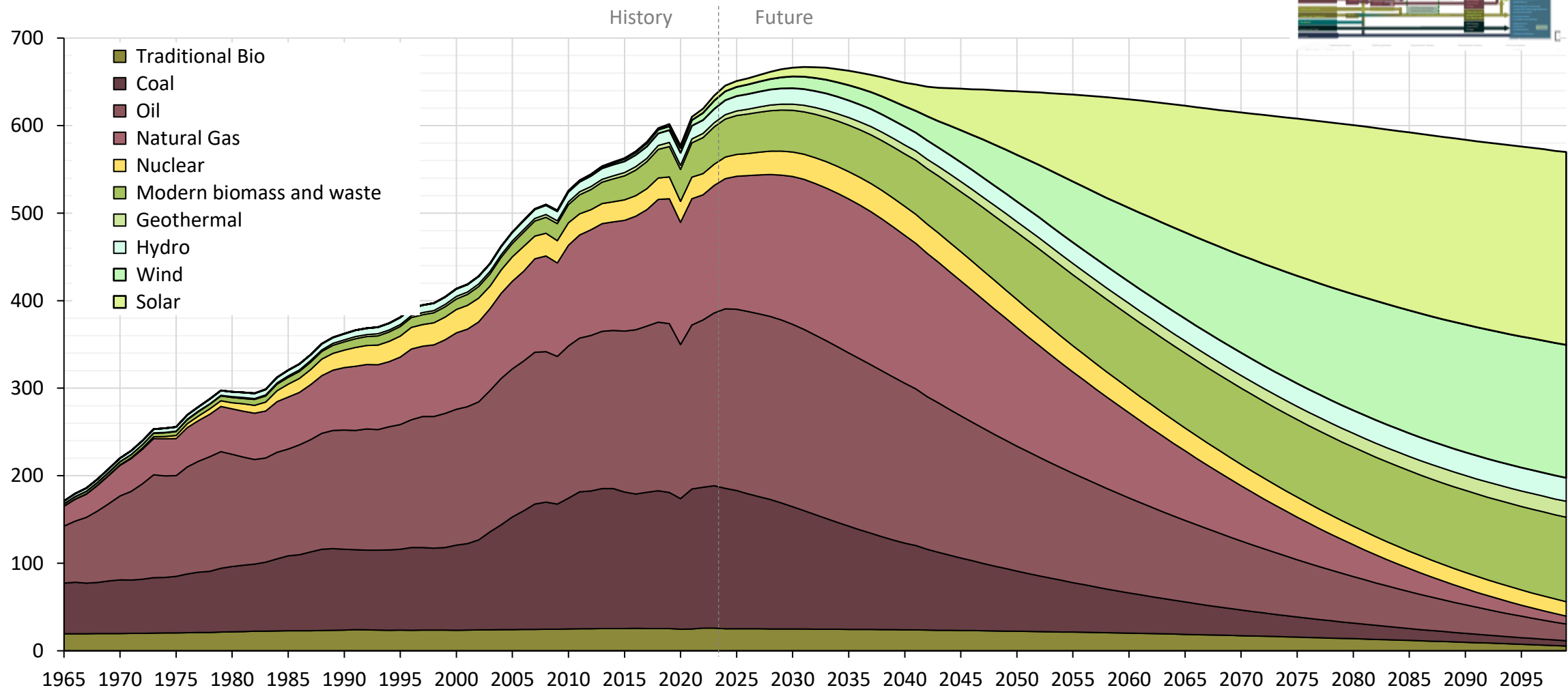


Source: Rystad Energy Global Power Mix Analysis Dashboard



Primary energy consumption to switch from fossil to renewables

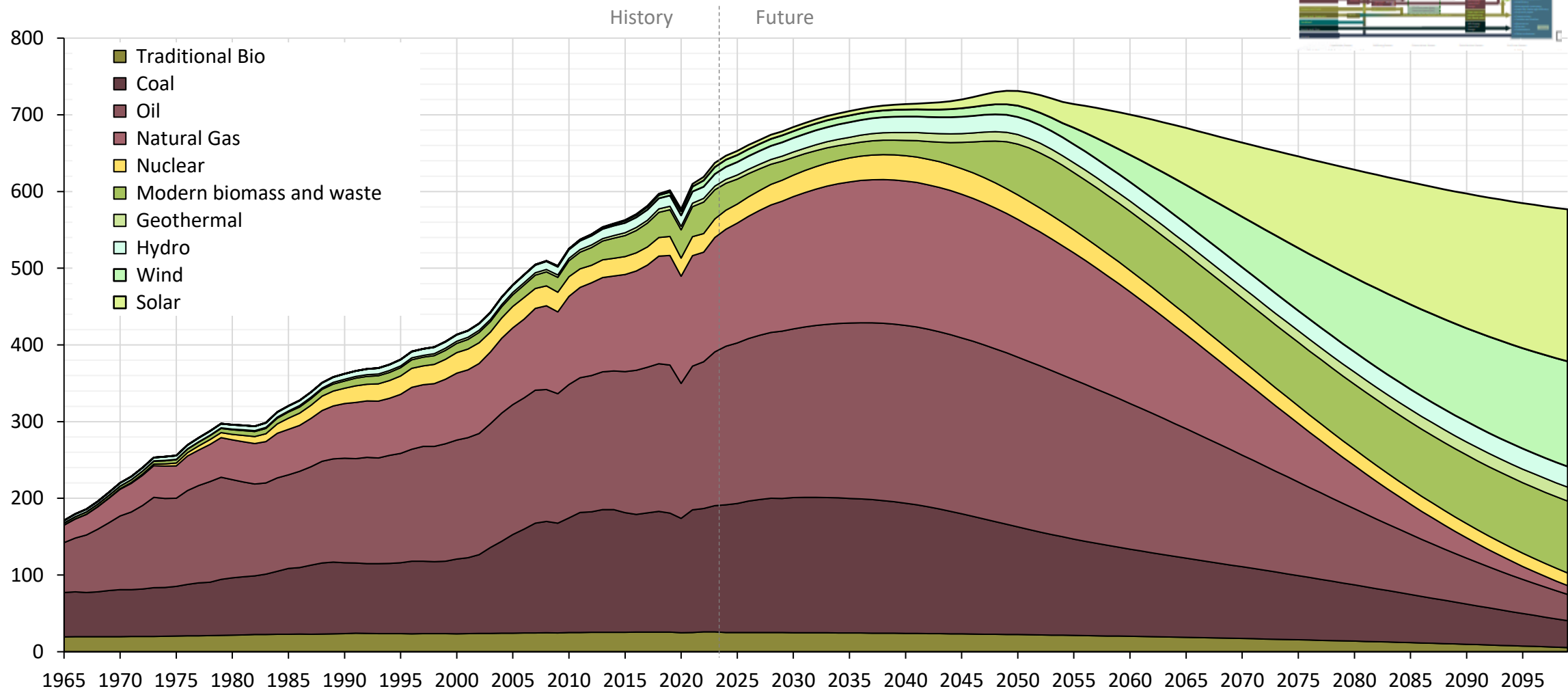
Primary energy capacities in the 2.0 DG scenario, by energy source
EJ



Source: Rystad Energy Global Power Mix Analysis Dashboard

Primary energy consumption to switch from fossil to renewables

Primary energy capacities in the 2.5 DG scenario, by energy source
EJ

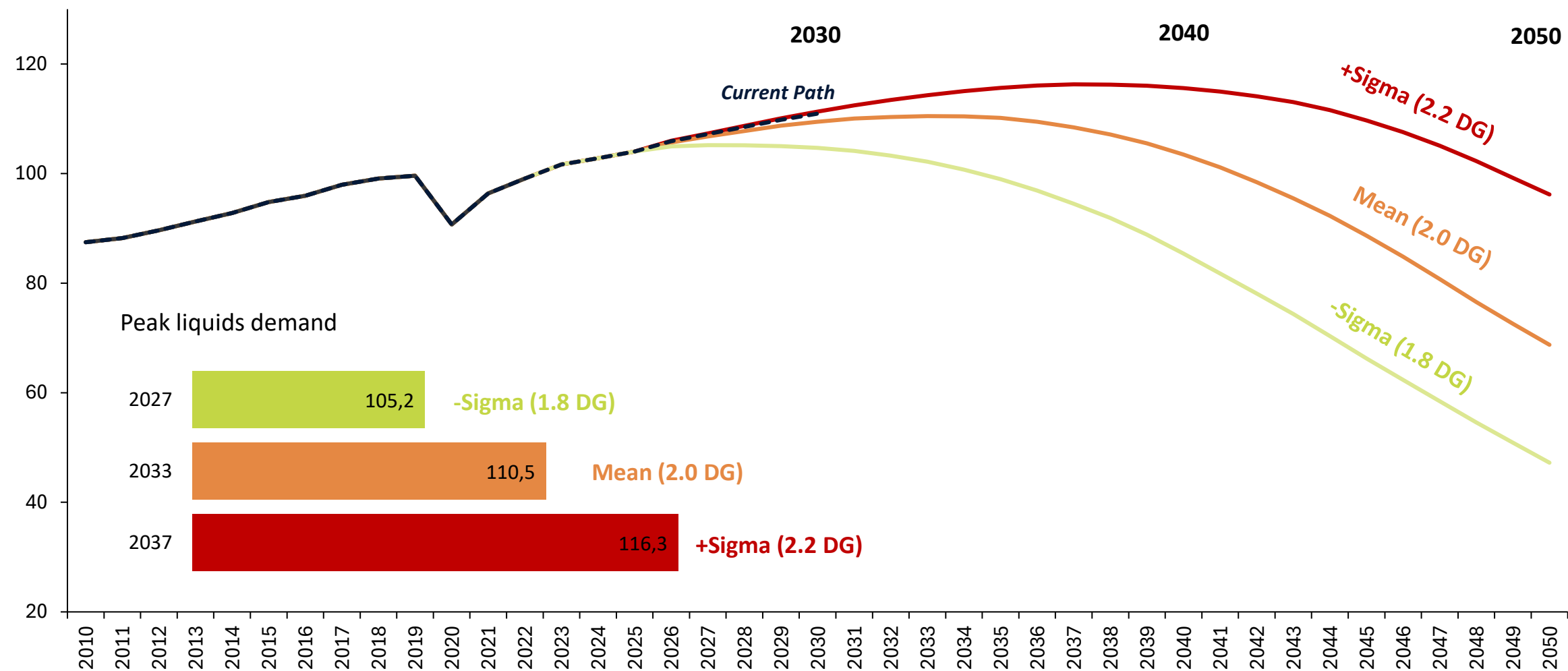


Source: Rystad Energy Global Power Mix Analysis Dashboard



Energy transition pace drives global liquids demand, but impact minimal in near term

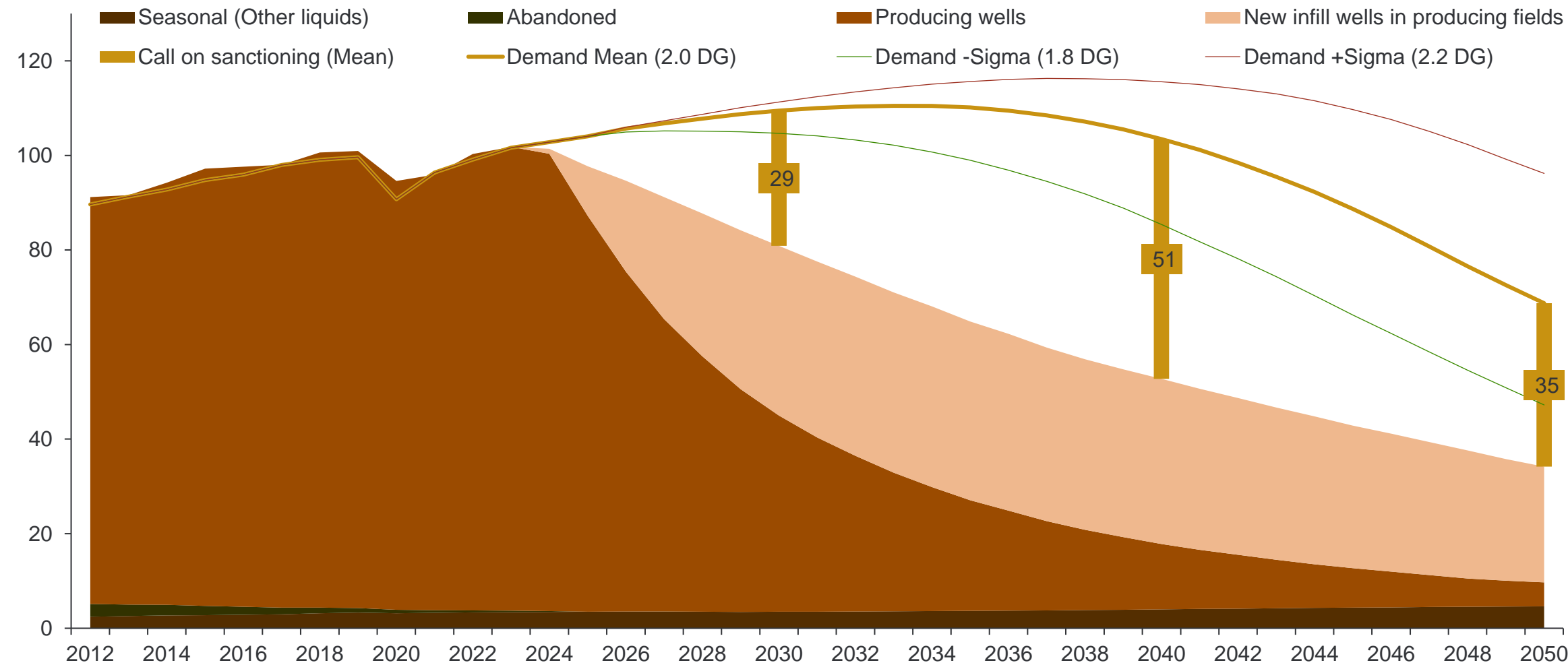
Long-term total liquids demand scenarios
Million barrels per day



Source: Rystad Energy research and analysis, Rystad Energy OilMacroCube

2.0°C oil demand scenario calls for 29 mb/d from new fields by 2030

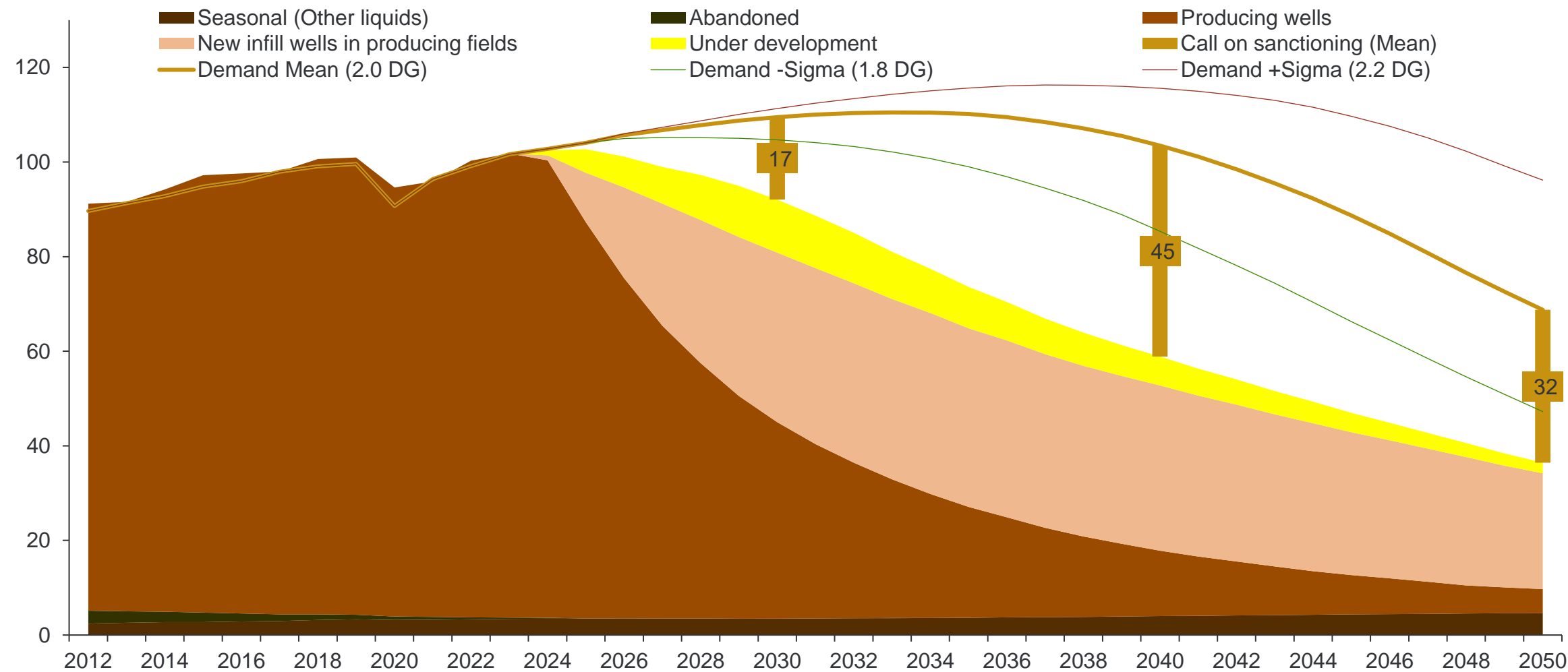
Liquids supply from producing wells and developments vs total liquids demand
Million barrels per day



Source: Rystad Energy research and analysis, Rystad Energy OilMacroCube

Fields under development are not sufficient, call for new sanctions is imminent

Liquids supply from producing wells and developments vs total liquids demand
Million barrels per day

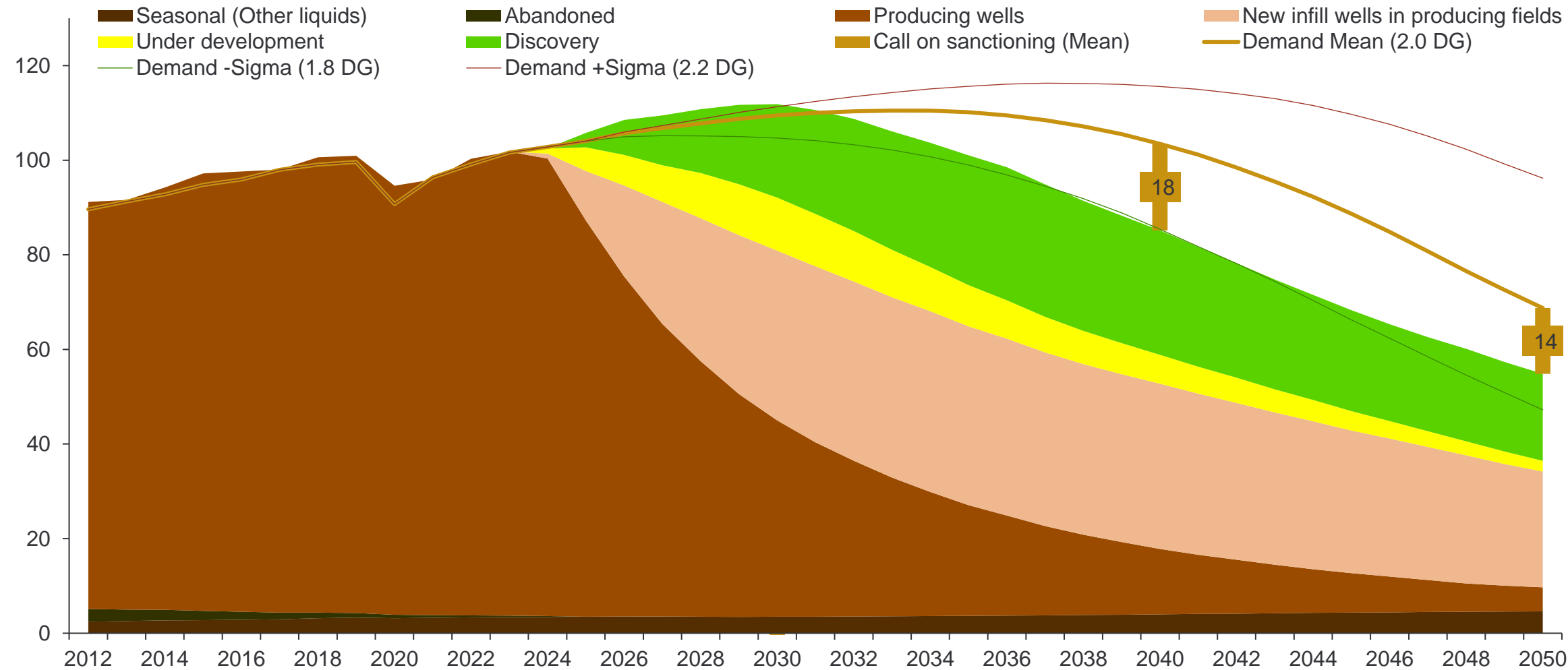


Source: Rystad Energy research and analysis, Rystad Energy OilMacroCube

Discovered volumes barely fill the gap through 2030, more exploration is needed

More than 100 billion barrels of new reserves needed to fill the demand gap between 2032-2050

Liquids supply from producing wells and developments vs total liquids demand
Million barrels per day

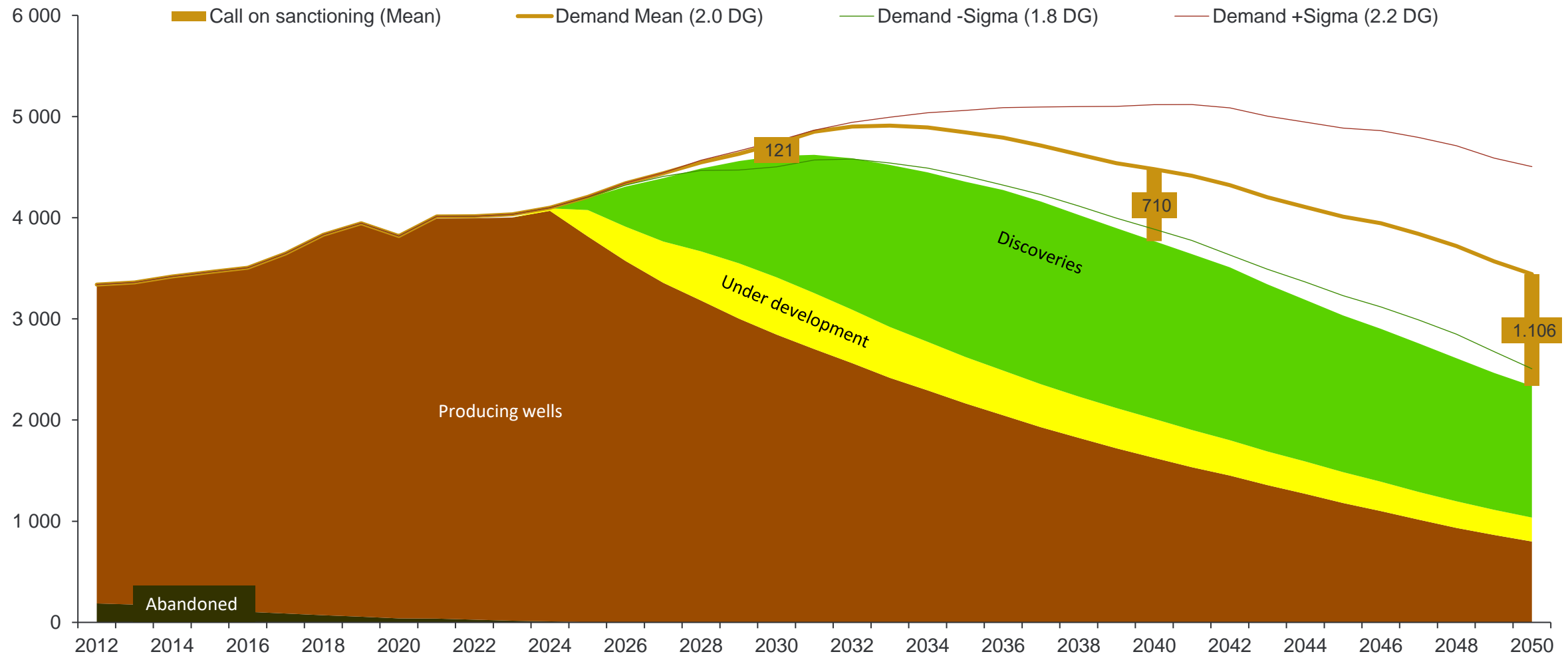


Source: Rystad Energy research and analysis, Rystad Energy OilMacroCube

Call on sanctioning for over 100 Tcf of new reserves to fill the demand gap until 2050 in a 2.0DG scenario

Global gas supply split by asset lifecycle category and forecast demand scenarios

Billion cubic meters



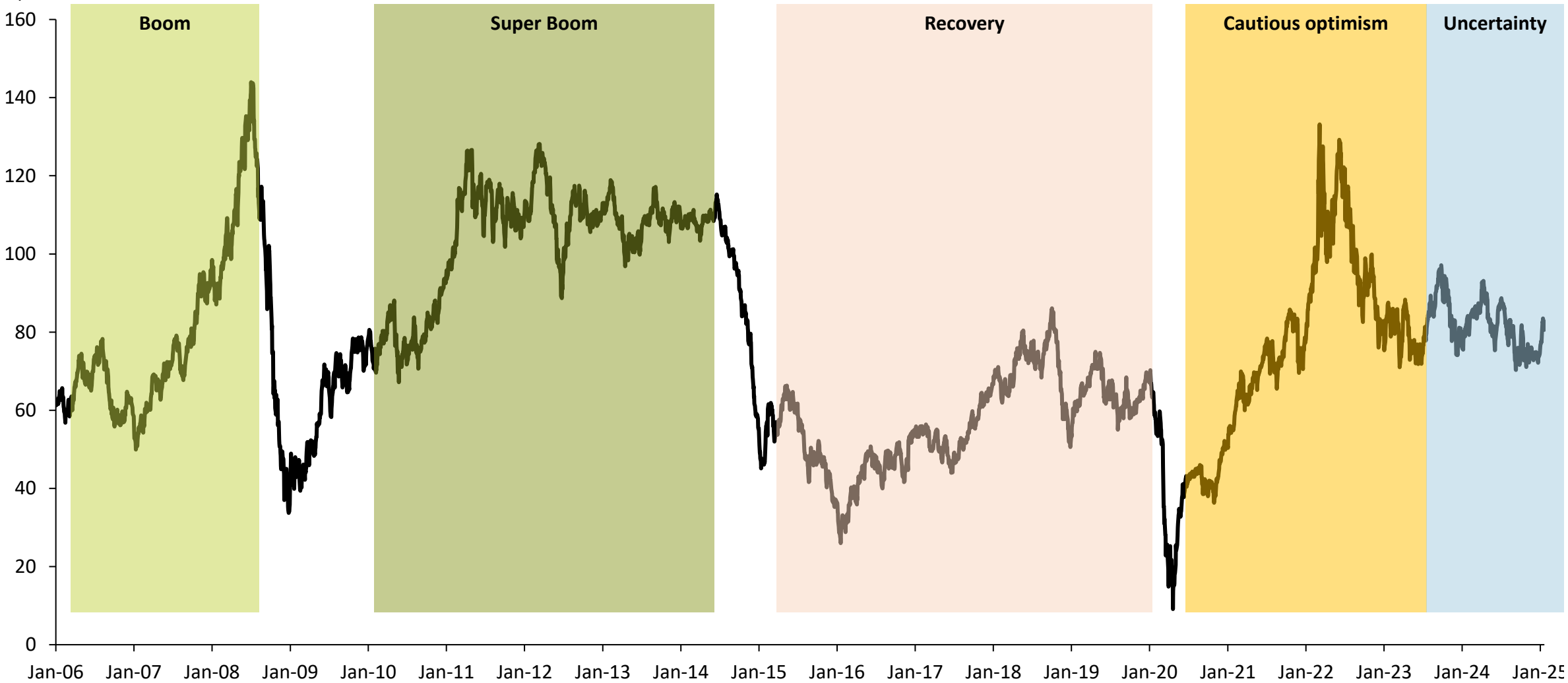
Source: Rystad Energy UCube

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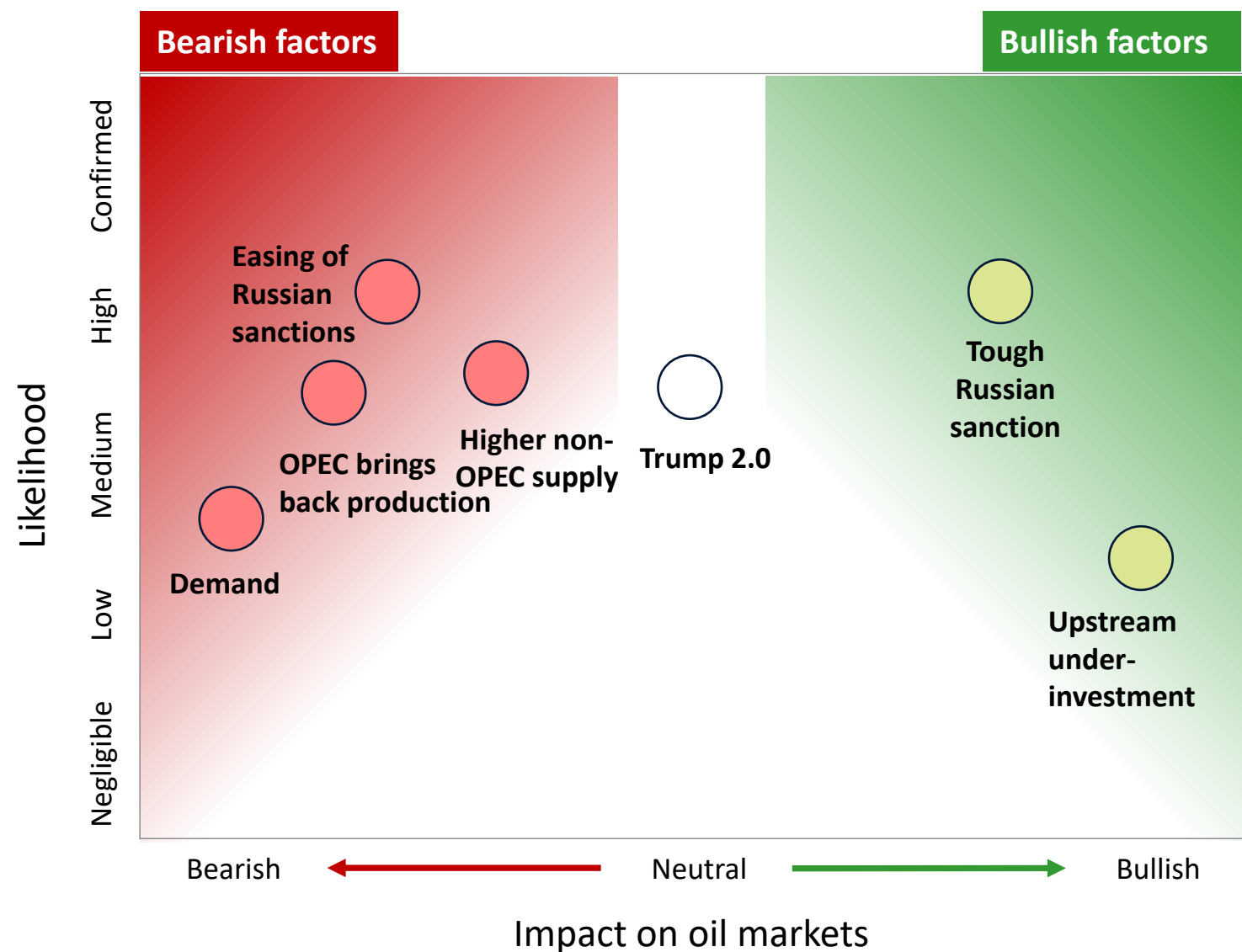
The upstream industry has been through several cycles in the past 20 years

Development in Brent Spot Price
\$ per Barrel



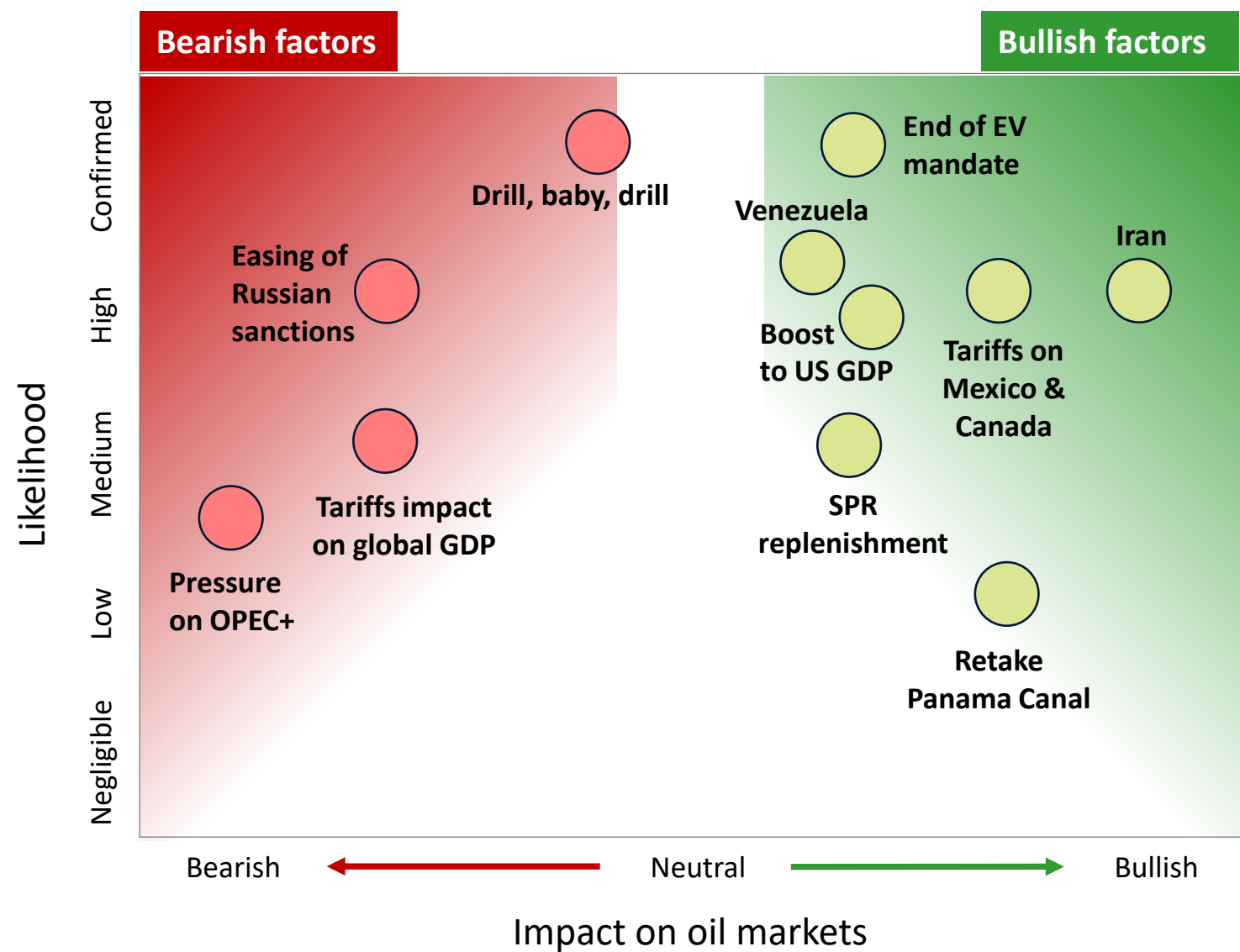
Source: Rystad Energy UCube

Key uncertainty factors in the oil market



Source: Rystad Energy Research and Analysis, Oil Macro Solution

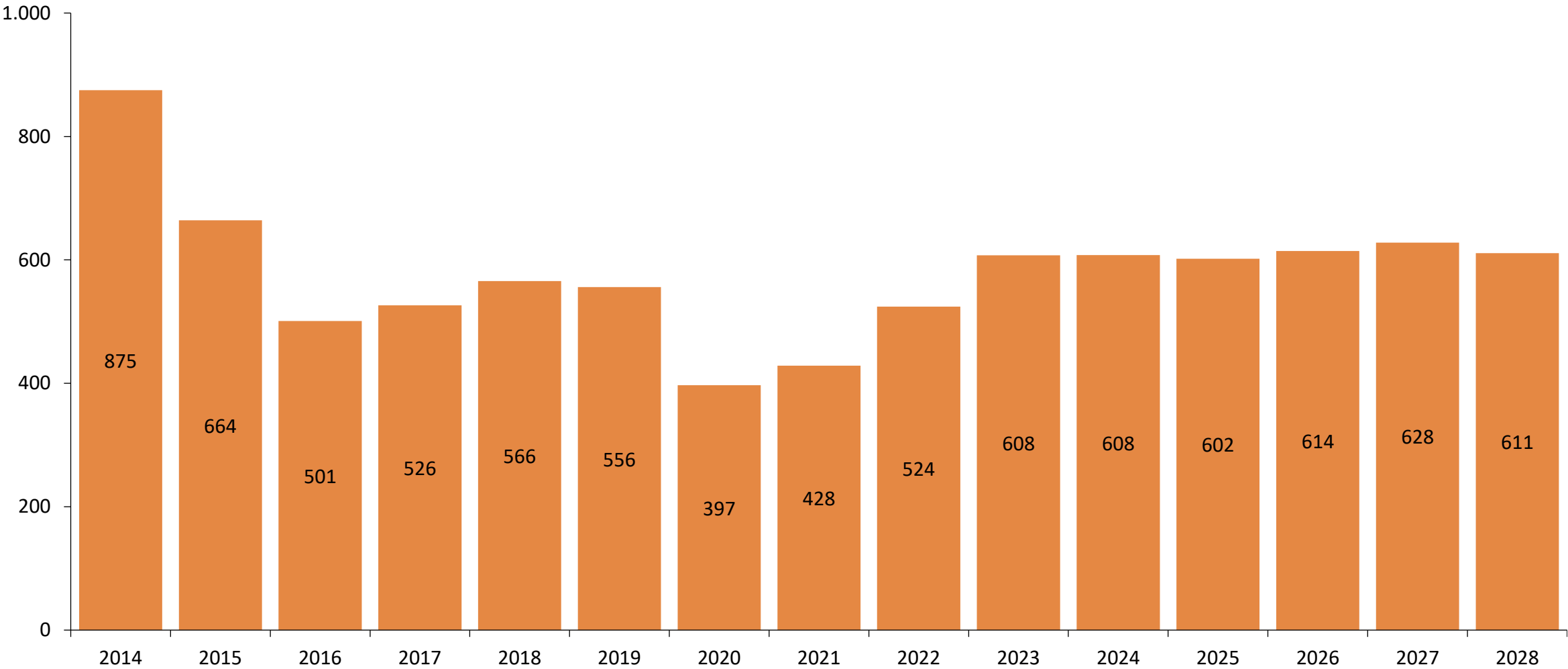
Trump policies: bullish or bearish for oil?



Source: Rystad Energy Research and Analysis, Oil Macro Solution

Global upstream investments has peaked

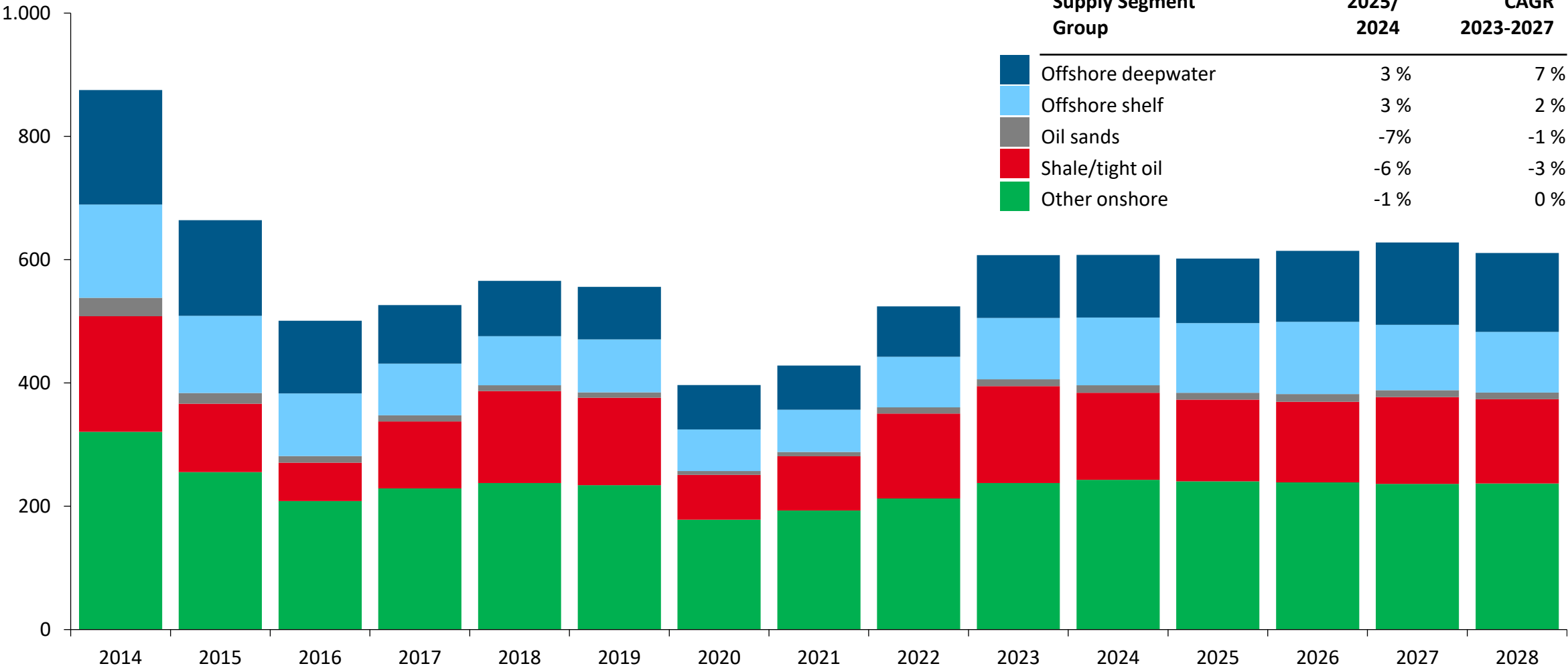
Global upstream investments
Billion USD



Source: Rystad Energy UCube

Offshore offsets decline in onshore investments

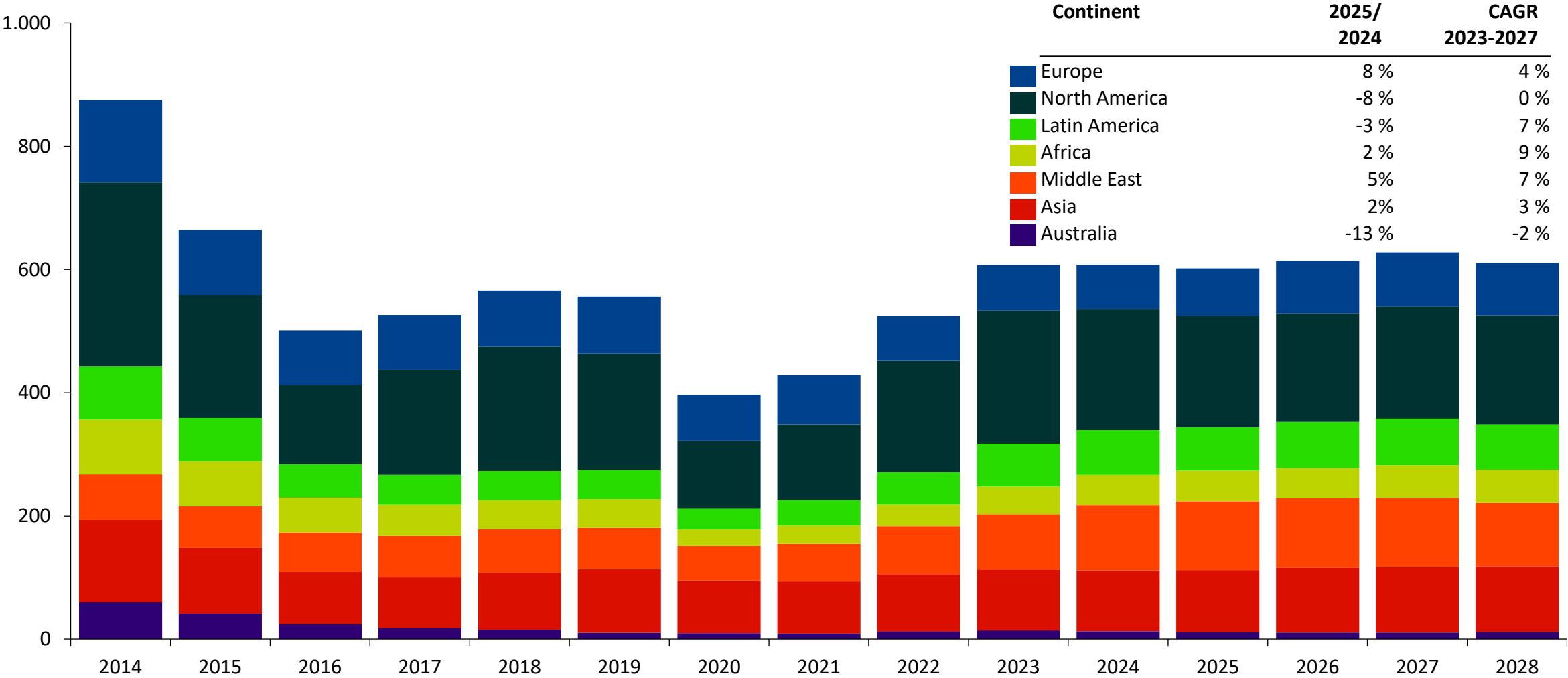
Global upstream investments by supply segment
Billion USD



Source: Rystad Energy UCube

Latin America accounts for 12% of global investments from 2024 to 2028

Global upstream investments by continent
Billion USD

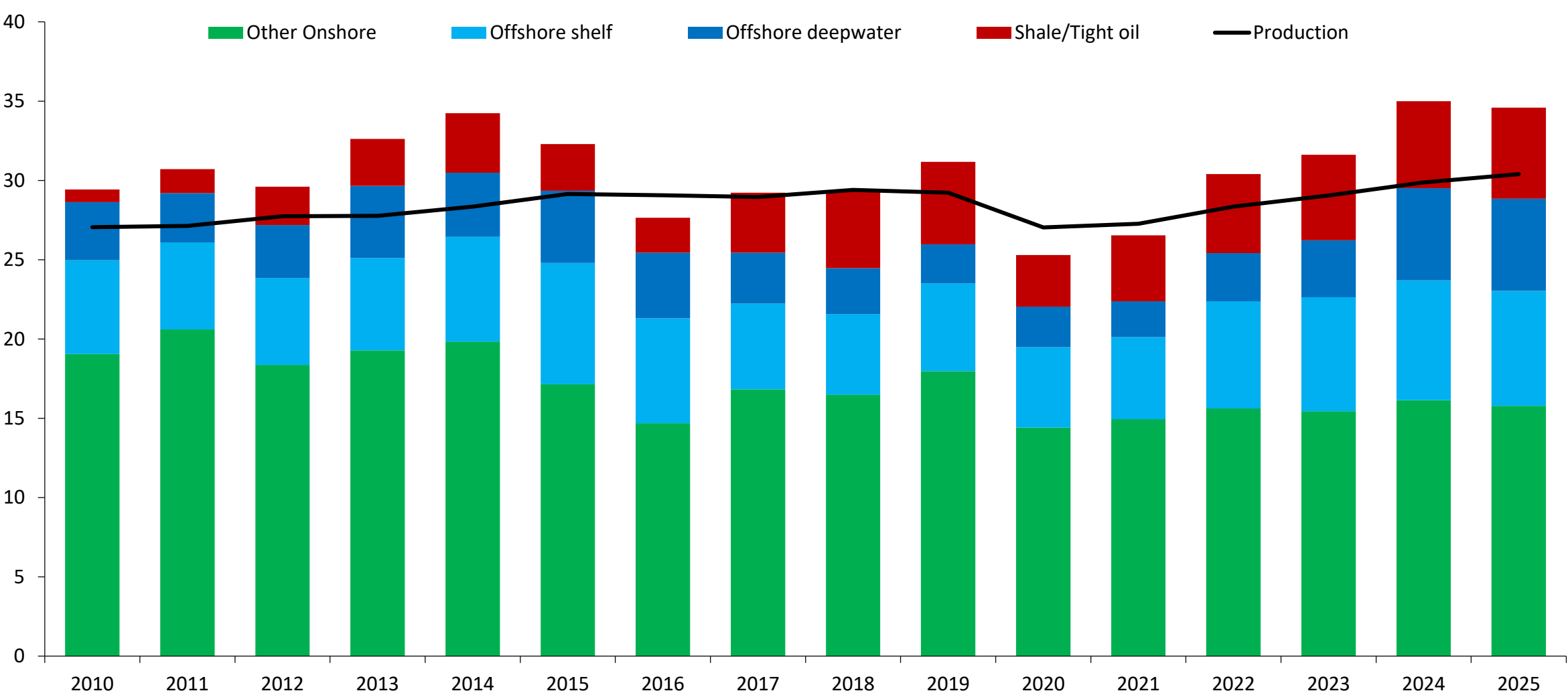


Source: Rystad Energy UCube

Are we investing enough?

Total oil resources by well completion year for different segments and total oil production

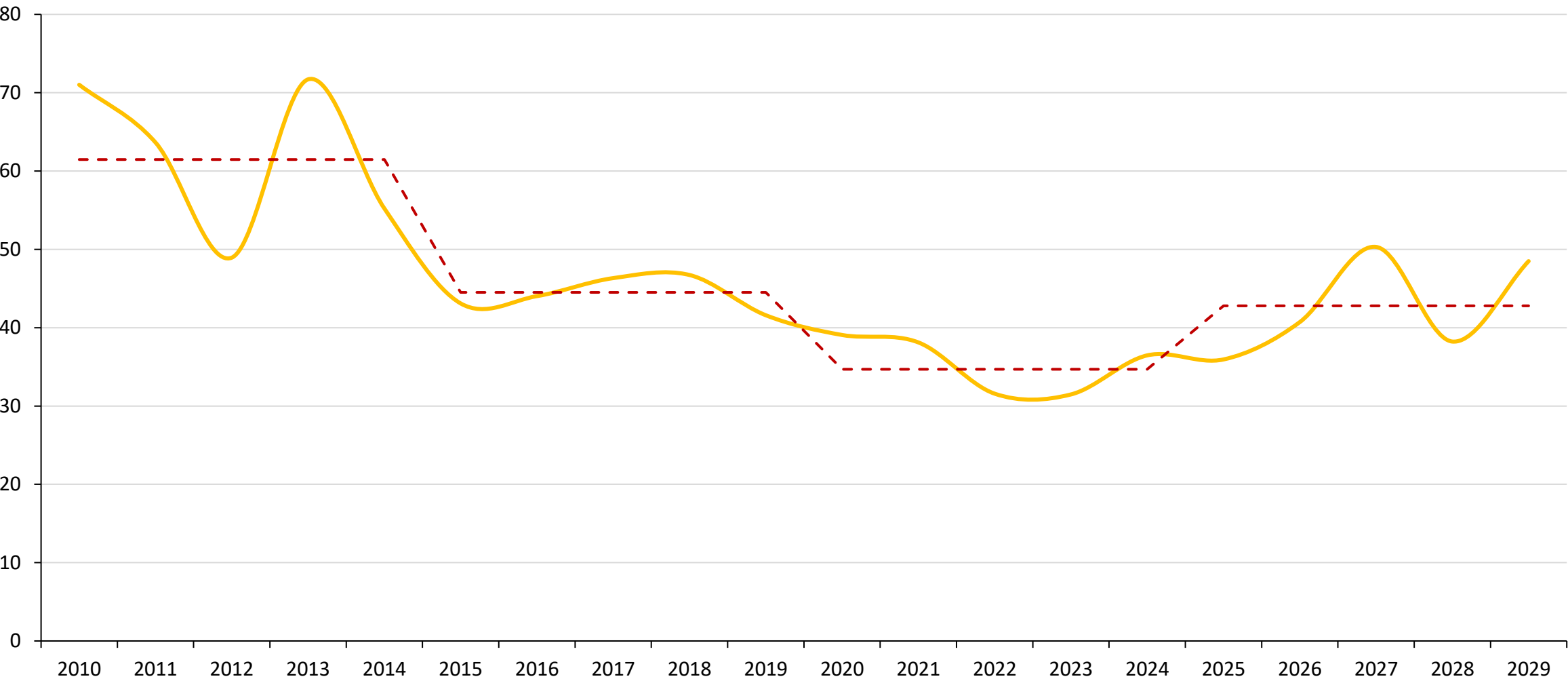
Billion barrels



Source: Rystad Energy UCube

Breakeven prices are increasing, but sill low in a historical perspective

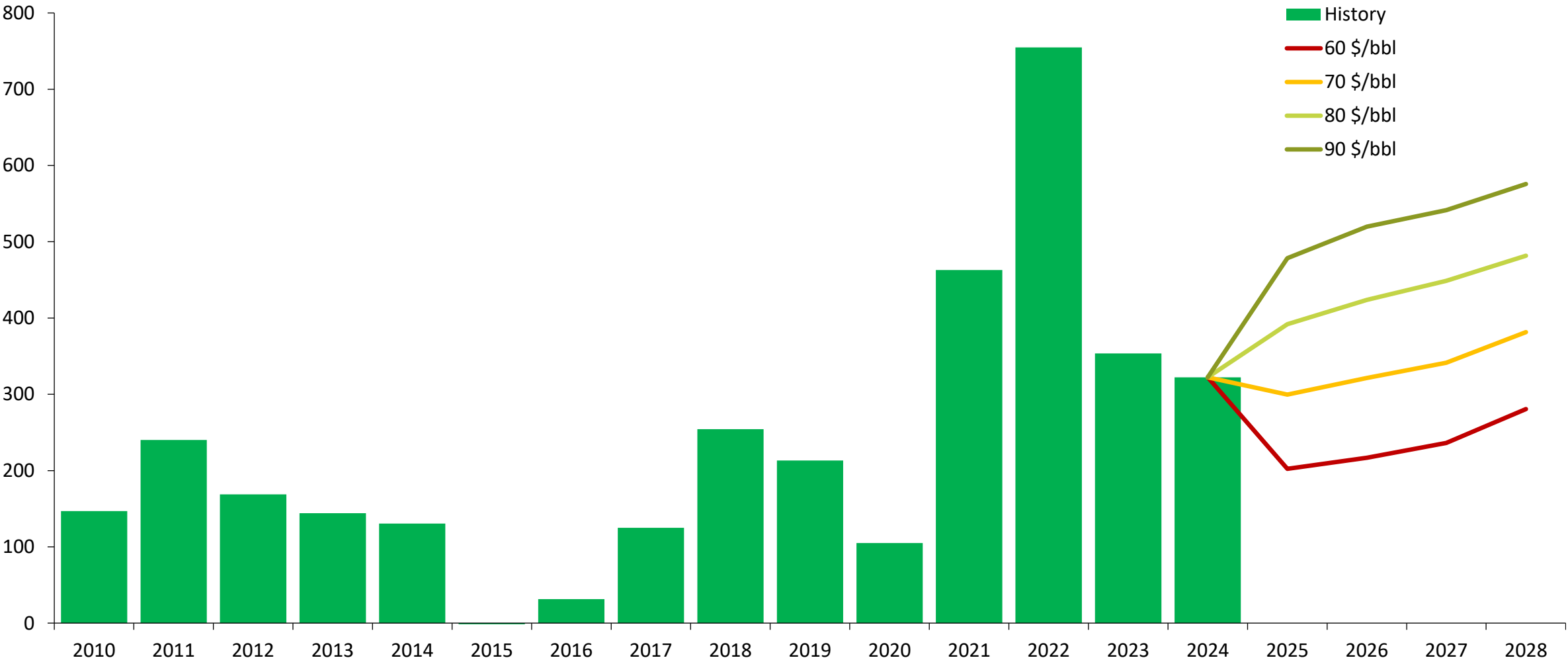
Average final investment decision breakeven price
USD per barrel



Source: Rystad Energy UCube

Is the industry generating any profit?

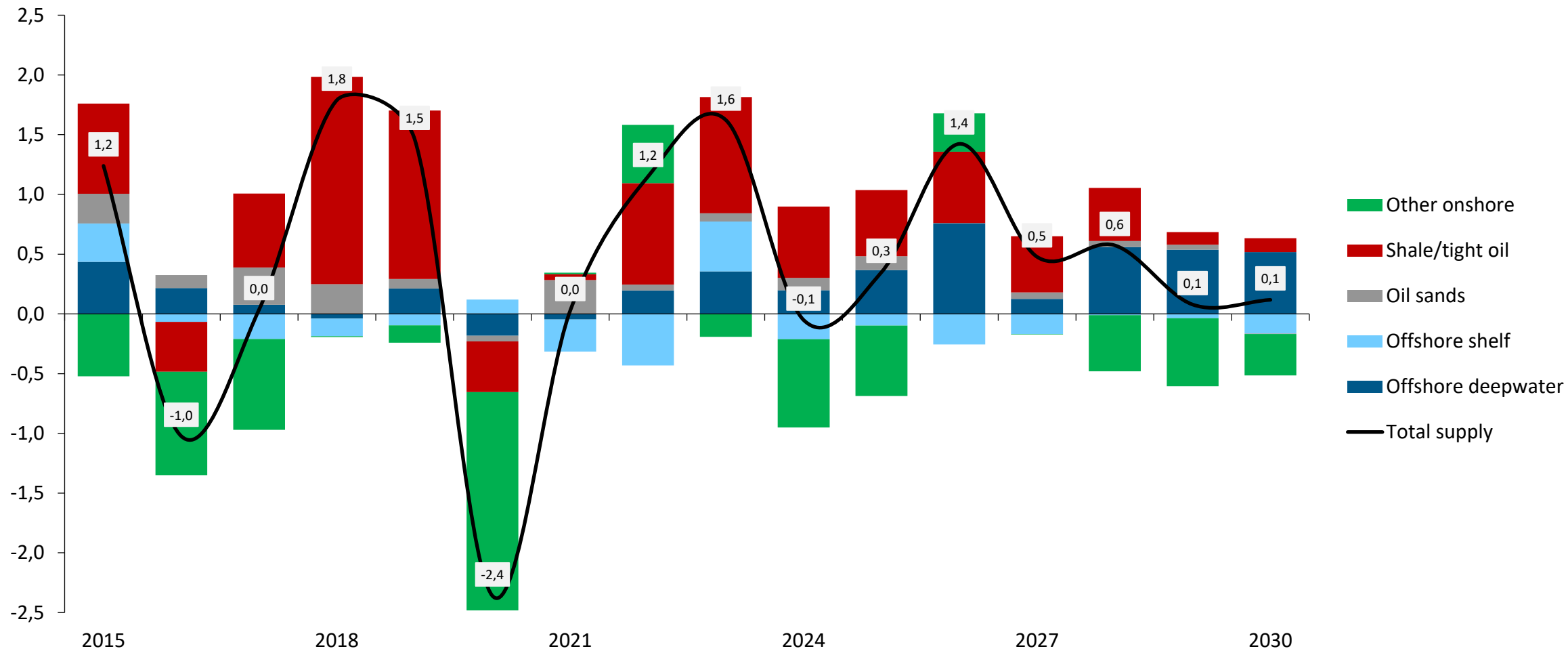
Total free cash from upstream activity* and forecasts for different Brent oil prices
USD billion



Source: Rystad Energy UCube

Growth will gradually move from tight oil to deepwater

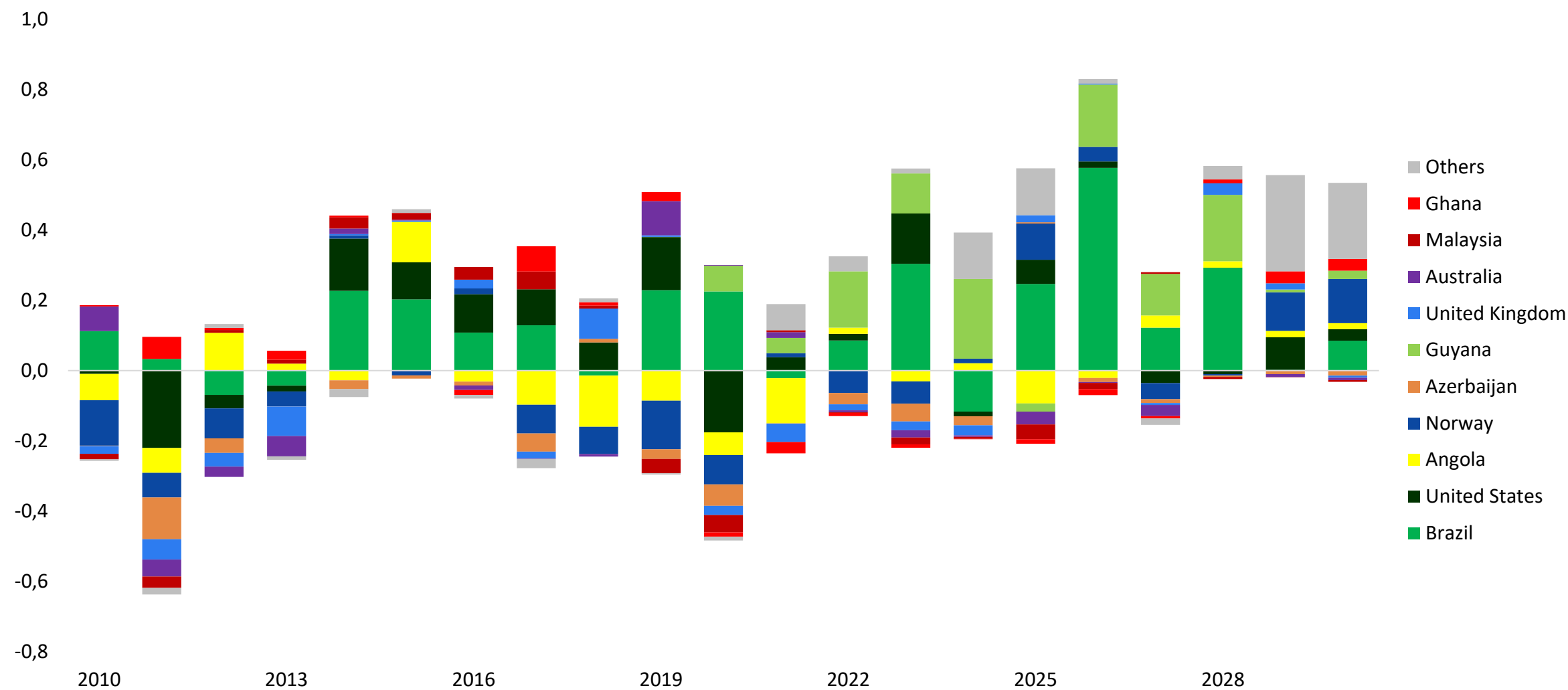
Y/Y net additions in non-OPEC oil supply by supply segment group
Million bpd



Source: Rystad Energy UCube

Brazil, Guyana and Norway are key for the deepwater growth

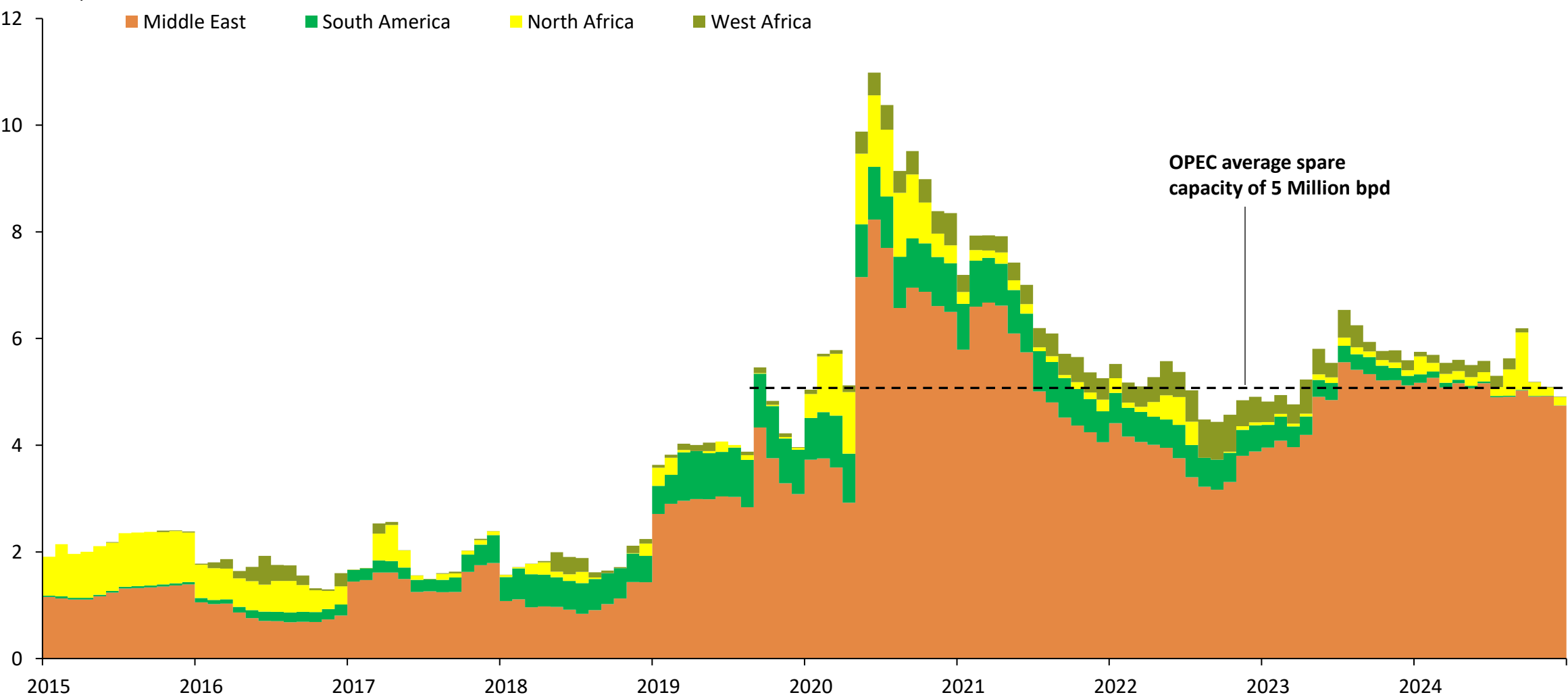
Year on Year net additions in non-OPEC deepwater oil supply by country
Million bpd



Source: Rystad Energy UCube

OPEC has historical high spare capacity

Total OPEC spare oil capacity by region
Million bpd



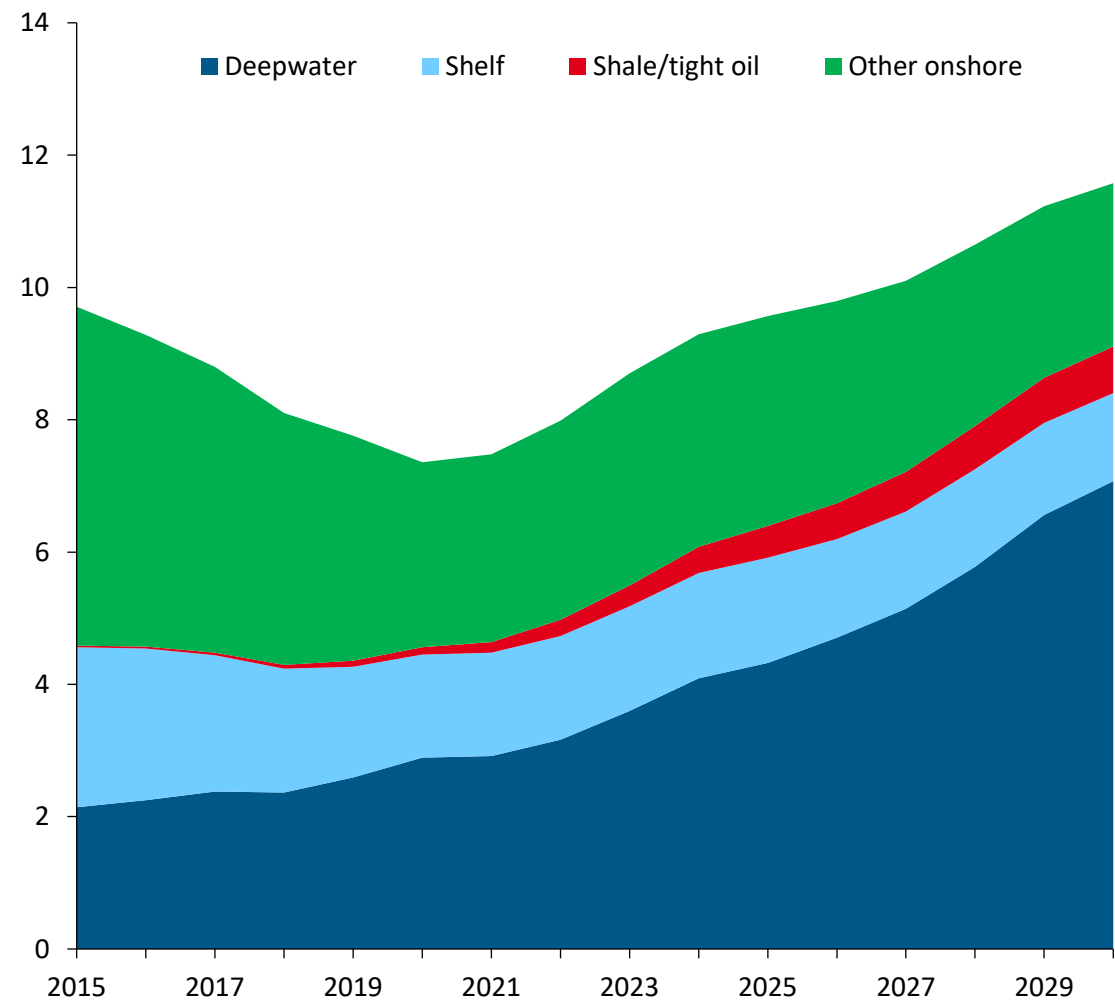
Source: Rystad Energy UCube

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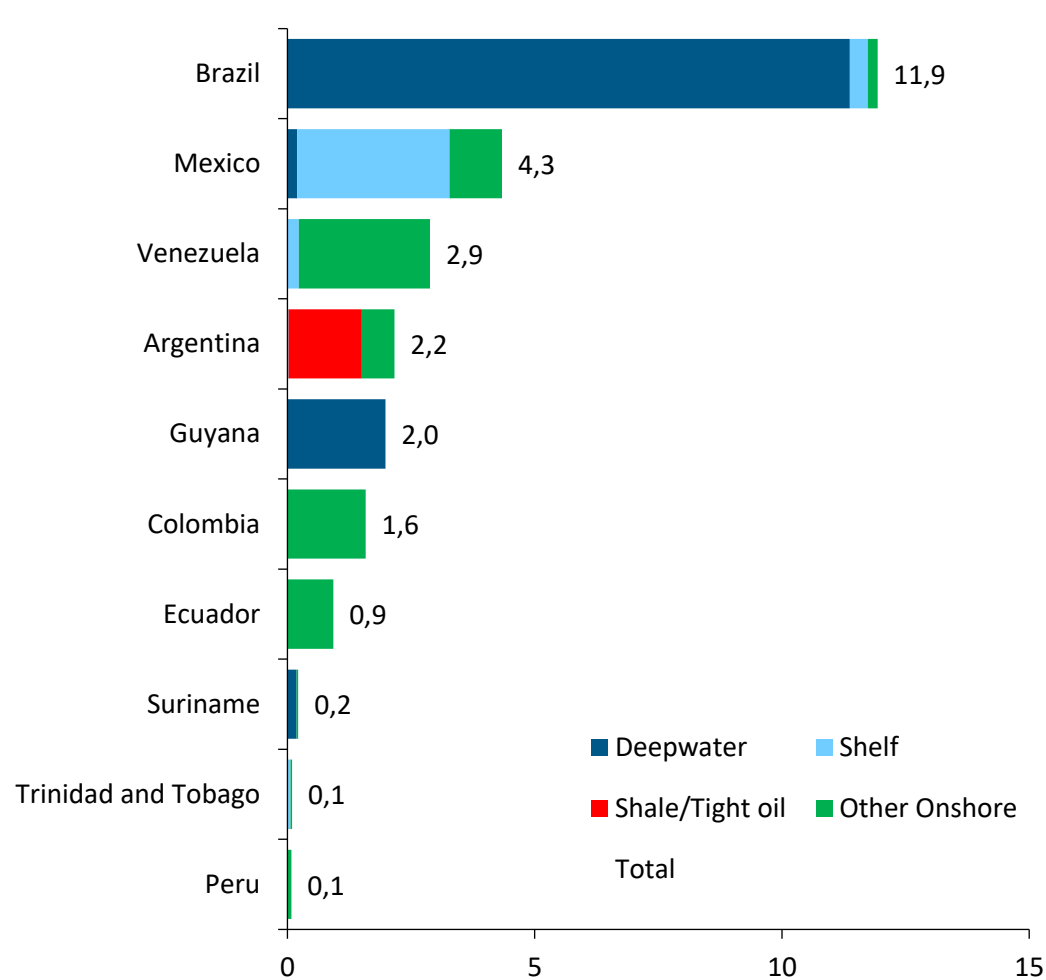
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Crude production set to grow at ~4% per year through 2030 thanks primarily to deepwater assets

Latin America crude oil and condensate production by supply segment
Million barrels per day



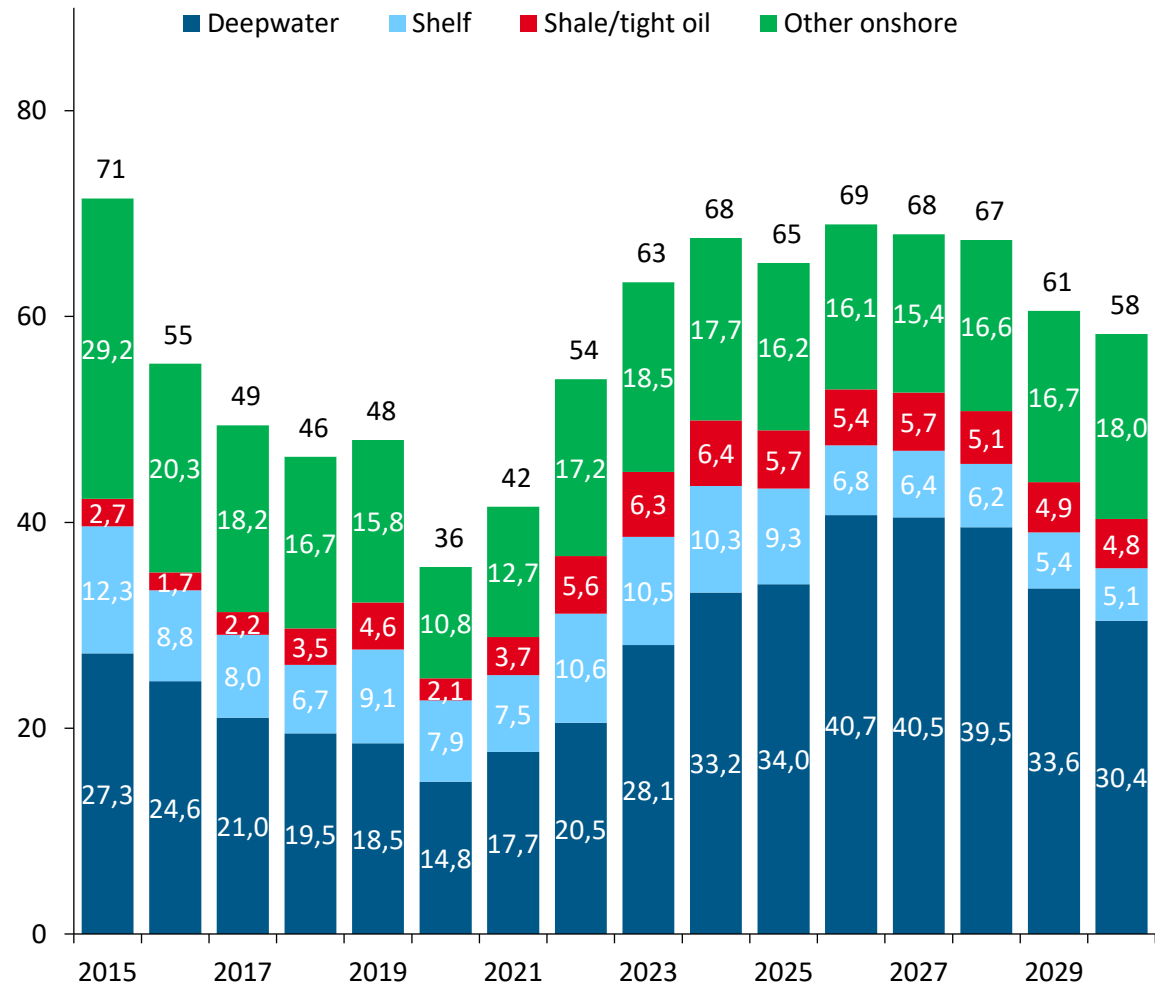
Production for 2024-2030 by country
Billion barrels of oil equivalent



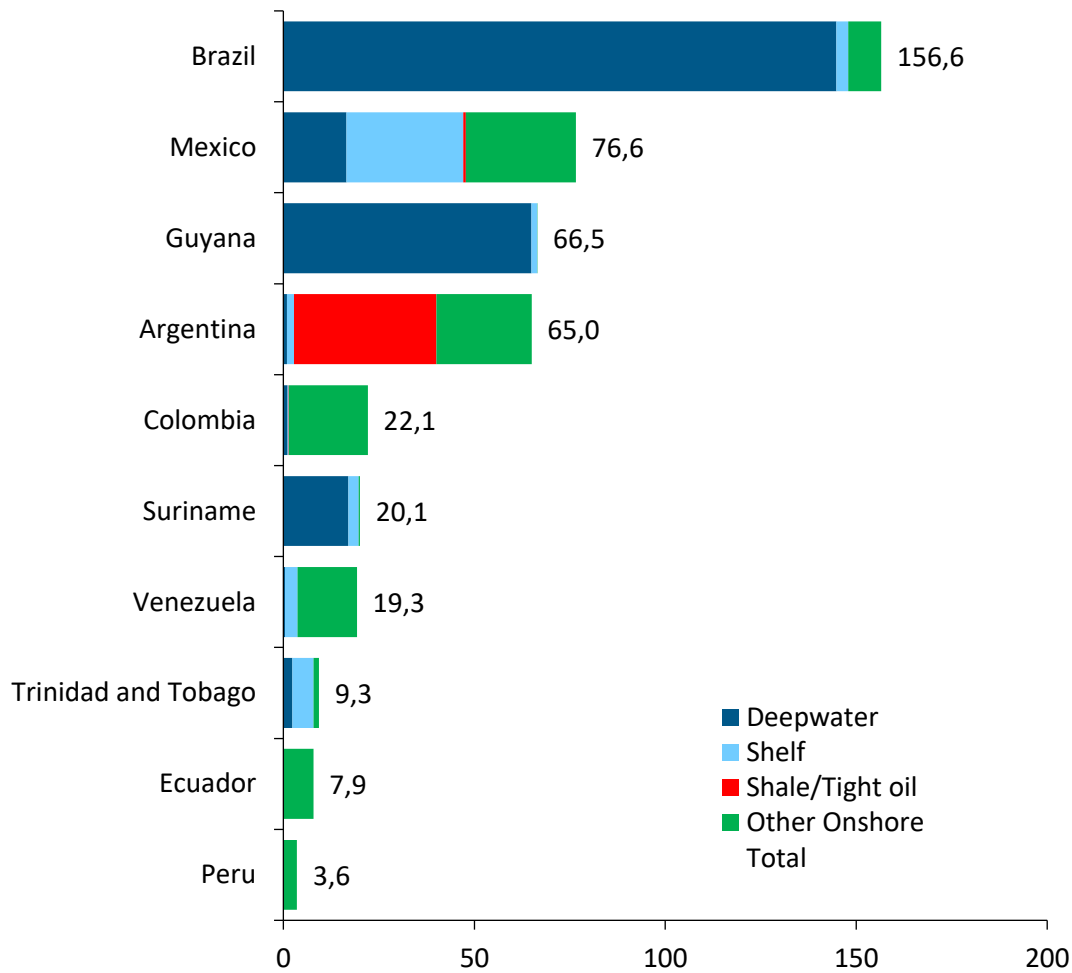
Source: Rystad Energy UCube

Investments in 2024 to maintain growth momentum were 40% higher than in pre pandemic levels

Total investments by supply segment group
USD billion



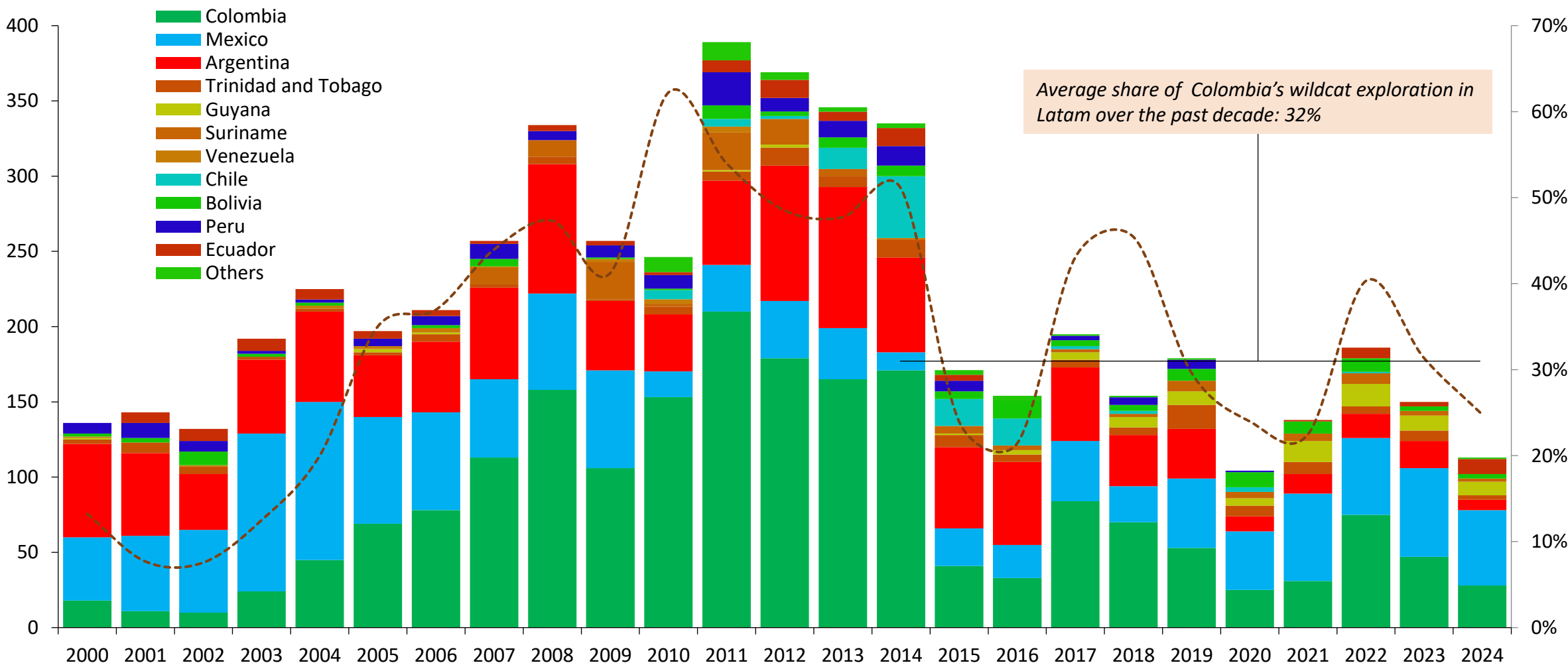
Investments for 2024-2030 by country
USD Billion



Source: Rystad Energy UCube

Latam exploration slows in the past 10 years following global trend; Colombia remains key

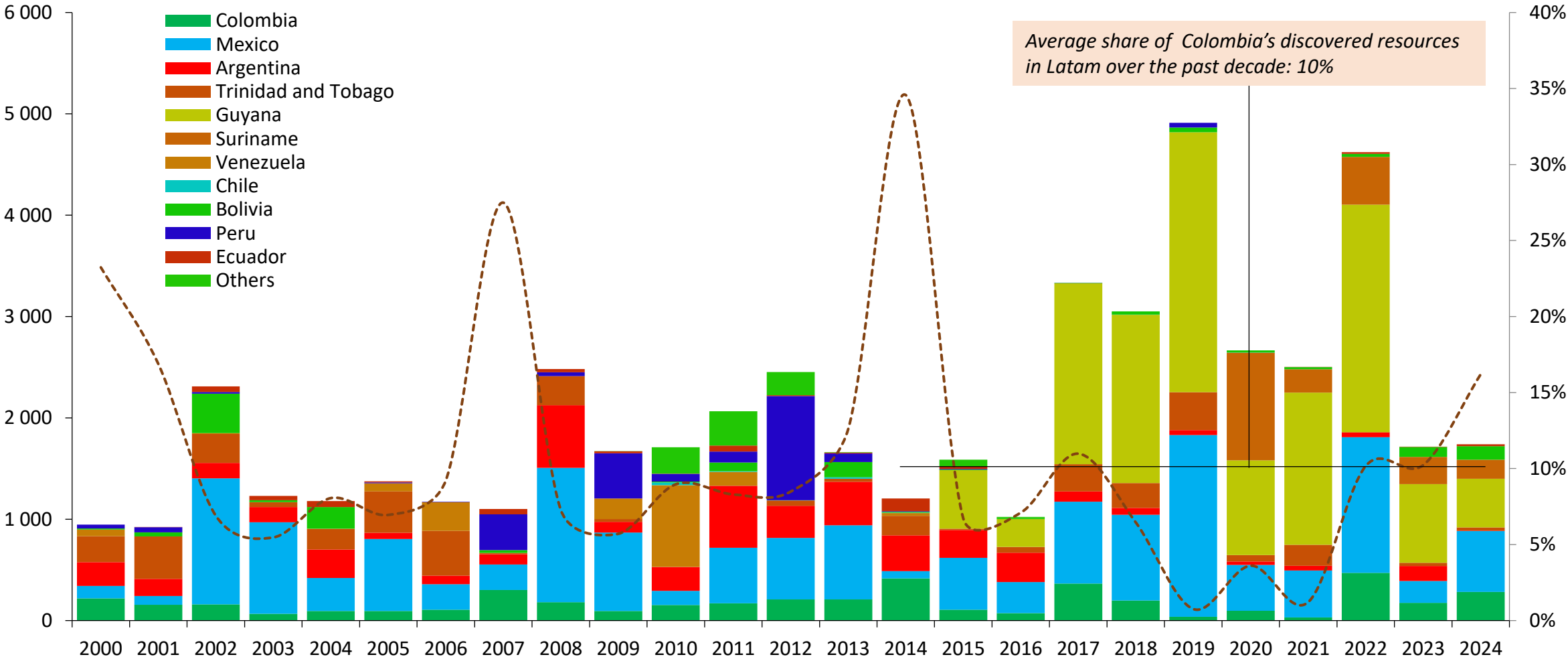
Completed exploration wildcat count in Latin America split by country
Count



Source: Rystad Energy UCube Exploration

Colombia leads in wildcat count but lacks major discoveries

Latin America discovered resources split by country
Million barrels of oil equivalent



Source: Rystad Energy UCube Exploration

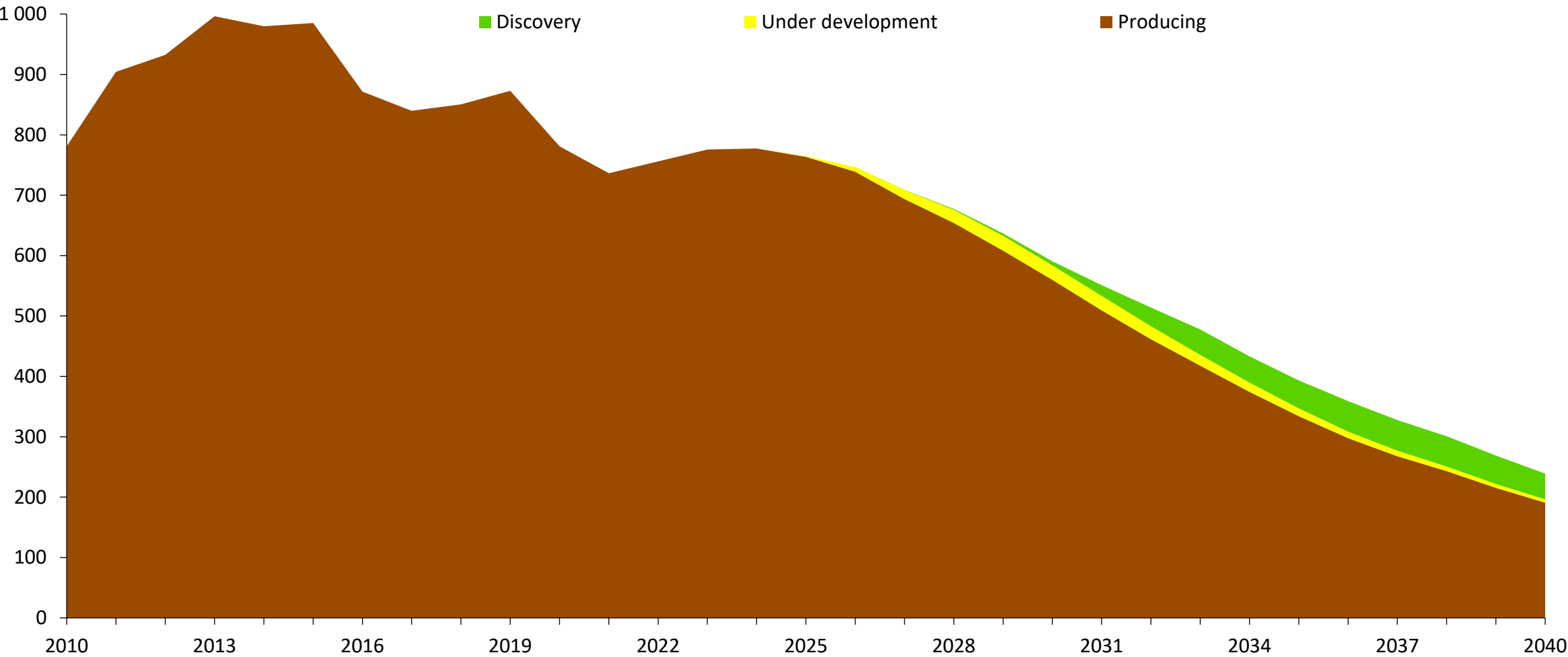
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Colombia's liquids production will drop to one third by 2040 if no new discoveries are made

Colombia base case liquids supply outlook split by life cycle category*

Thousand barrels per day

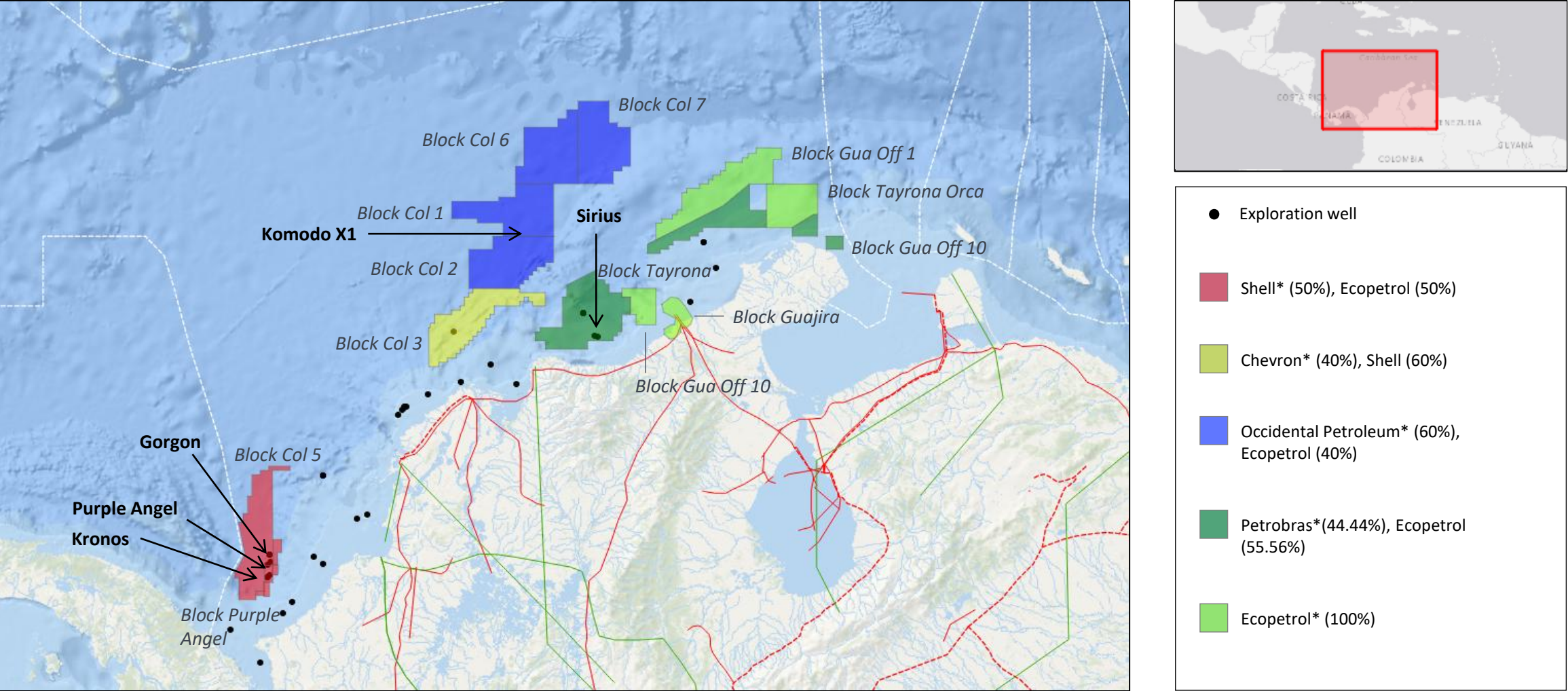


*Including uncommercial volumes

Source: Rystad Energy UCube

Colombia offshore landscape has a strong influence from Majors

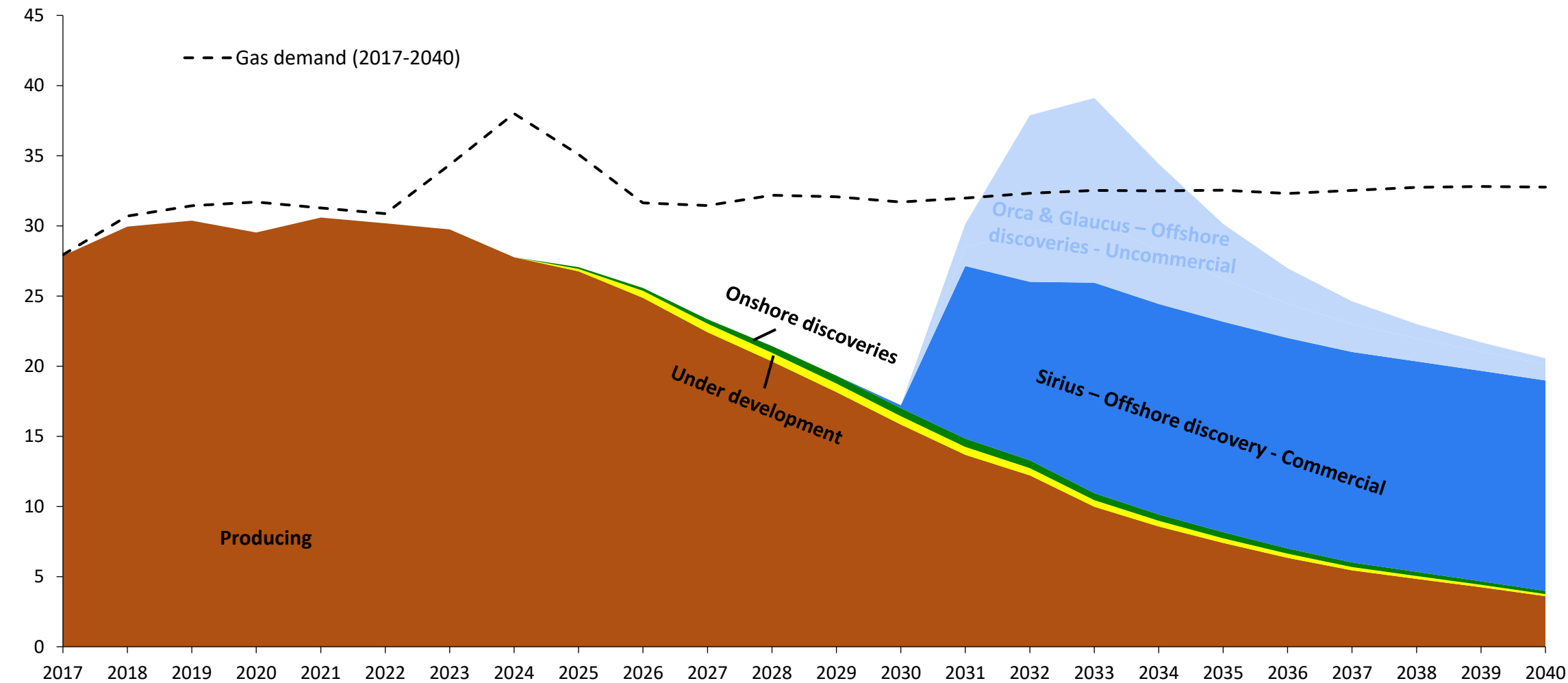
Map of blocks and discoveries on offshore Colombia



Source: Rystad Energy UCube Exploration

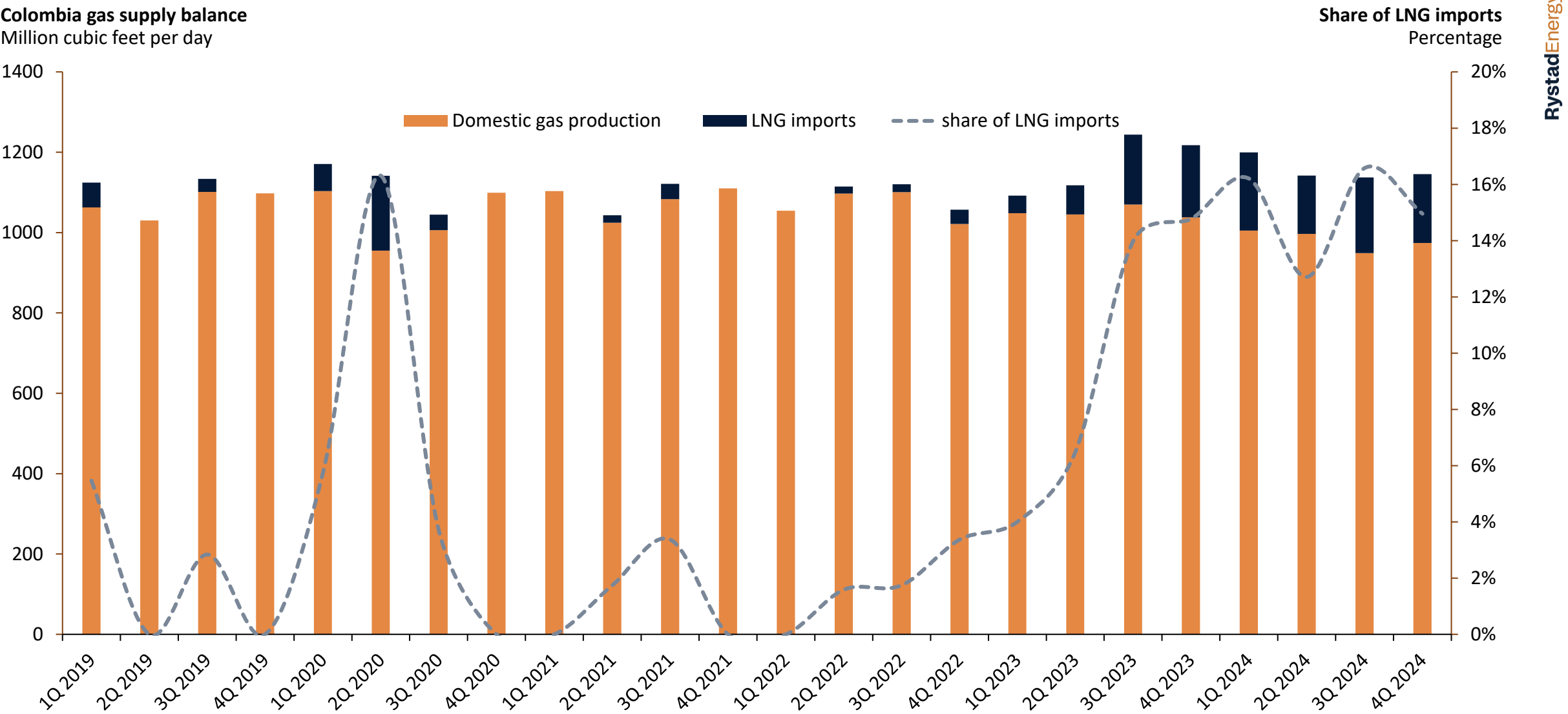
Colombia's offshore gas discoveries are promising but a temporary supply demand gap is inevitable*

Colombia, base case domestic gas supply and demand outlook
Million cubic meters per day



*Only deepwater discoveries considered for offshore
Source: Rystad Energy UCube

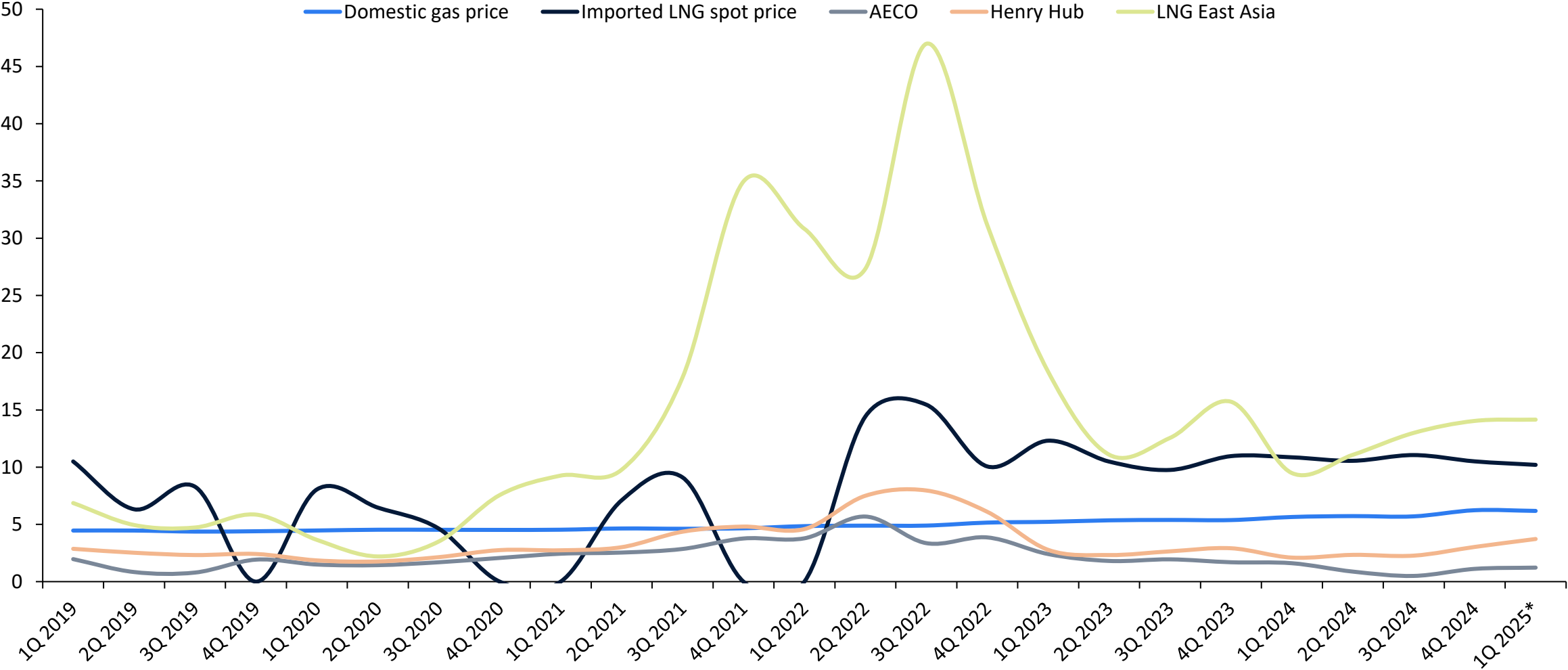
Colombia is increasingly exposed to the LNG market



Source: Rystad Energy research and analysis, Latin American Gas Solution

LNG market to push Colombia's domestic gas prices upward

Colombia gas price references
USD per million British thermal units



*Includes January-2025
Source: Rystad Energy research and analysis, Latin American Gas Solution

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