PANDION ENERGY

Pandion Energy AS

Interim financial statements (unaudited)

Fourth quarter 2022

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Content

Introduction

General information

These interim financial statements for Pandion Energy AS (“Pandion Energy“ or “the company“) have been prepared to comply with:

- The amended and restated reserve based lending facility (“RBL”) agreement dated 2 June 2022
- Bond terms for senior unsecured bond dated 2 June 2022

Pandion Energy completed the acquisition of ONE-Dyas Norge AS on 30 June 2022, the transaction included a 10 percent share of the Nova field. Following completion of the transaction, ONE-Dyas Norge AS became a wholly owned subsidiary of Pandion Energy and the name of the company was changed to Pandion Energy Norge AS (“Pandion Energy Norge”). The transaction was recognised as an asset acquisition under IAS 16 “Property, Plant and Equipment”. In accordance with conditions set forth in the approval by the Norwegian Ministry of Petroleum and Energy, the two companies were merged with Pandion Energy as surviving entity. The merger was completed in November 2022 with effect from the acquisition date 30 June 2022.

These interim financial statements have not been subject to review or audit by independent auditors.

Accounting principles

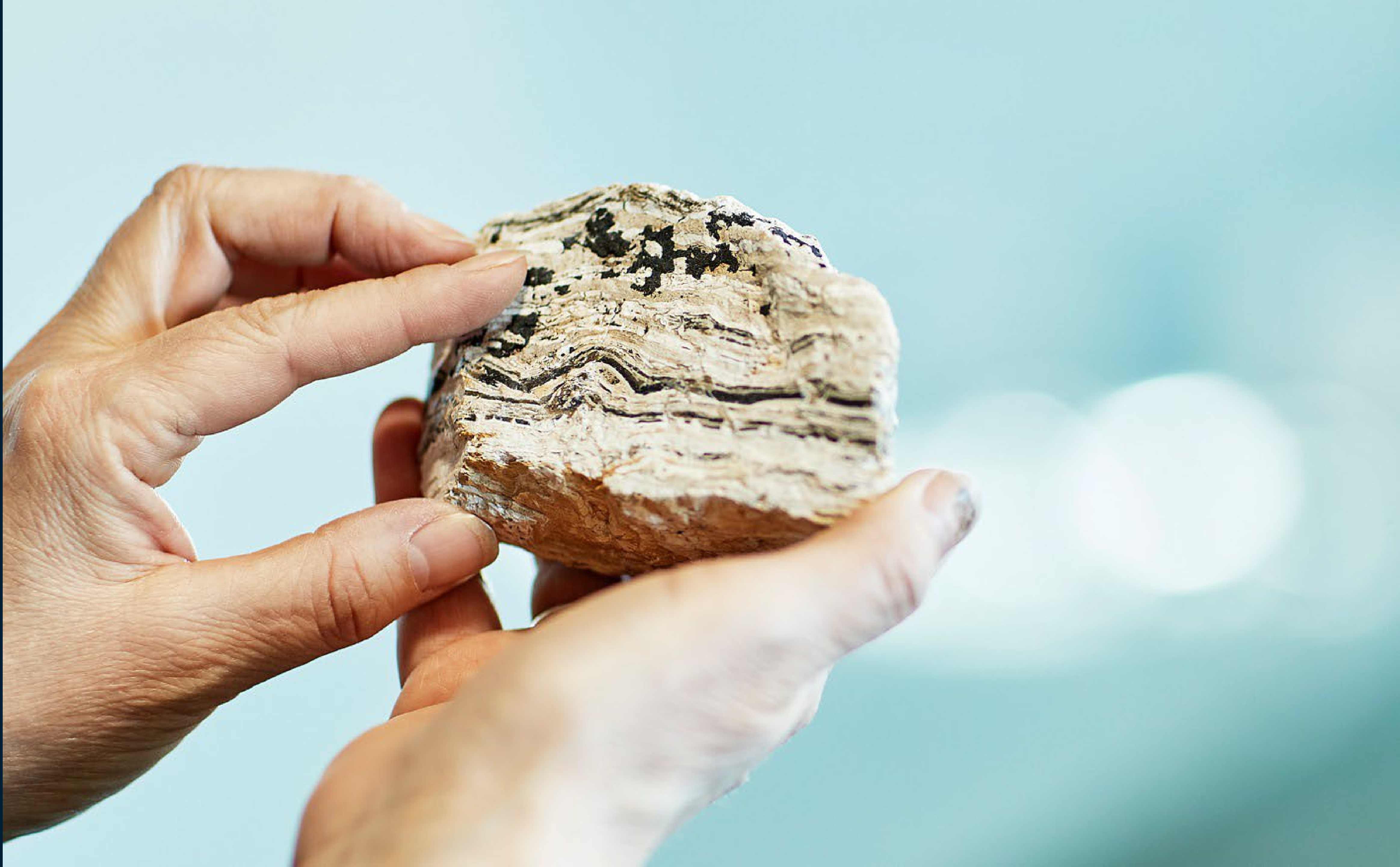
These interim financial statements have been prepared on the basis of simplified IFRS pursuant to the Norwegian Accounting Act §3-9 and regulations regarding simplified application of IFRS issued by the Norwegian Ministry of Finance on 3 November 2014, thus the interim financial statements do not include all information required by simplified IFRS and should be read in conjunction with financial statements of the company for the period ending 31 December 2021.

The accounting policies adopted are in all aspects consistent with those followed in the preparation of the financial statements of the company for the year ending 31 December 2021.

For further detailed information on accounting principles, please refer to the financial statements for 2021.

The interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the dates and interim periods presented. Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Summary of the quarter



Financial review

Revenues

Pandion delivered significantly higher revenues from sale of liquids and natural gas compared to fourth quarter last year. Revenues amounted to USD 76.7 (42.5 in Q4 21) million mainly driven by higher oil volumes sold (686 kboe compared to 436 in Q4 2021), following an overlift of 179 kboe related to the Nova field.

Higher revenues compared to fourth quarter last year was also driven by higher realised prices. The average realised oil price before hedging was USD 92.4 (USD 80.6 in Q4 2021) per boe, and the average realised gas price was USD 171.6 (USD 103.1 in Q4 2021) per boe.

Operating expenses and financial results

EBITDAX amounted to USD 66.6 million (33.7 in Q4 2021). The increase compared to Q4 2021 was mainly driven by higher revenues partly offset by higher operating expenses.

Operating expenses amounted to USD 13.0 (8.7 in Q4 2021) million. The increase from same period last year is due to higher sales volumes driven by production ramp up of Nova, higher power prices and increased well intervention activities on Valhall and Hod.

Profit from operating activities was USD 48.2 million (-12.2 in Q4 2021). In addition to increased EBITDAX the increased profit is driven by lower exploration expenses. The reduction in exploration expenses from the comparative period is mainly related to write down of the Iving discovery in Q4 2021.

Financial review

Capital expenditures

Investments in exploration & evaluation assets amounted to USD 11 million mainly related to drilling on the Calypso prospect in PL 938.

Investments in fixed assets amounted to USD 14.6 million. The amount includes USD 10.3 million invested in Valhall and Hod fields which is mainly related to well interventions, Sulfate removal unit project and PDO work for Valhall PWP project. In addition, USD 4.3 million was related to completion and commissioning activities on the acquired Nova field.

Financial position

The company's interest-bearing debt was USD 191.5 million at the end of the fourth quarter, down from USD 248 million at the end of third quarter 2022. The final repayment of the EFF facility was made in Q4 2022 after which it was expired. The debt consists of bond debt of USD 75 million and RBL drawdown of USD 116.5 million. The company has a low leverage ratio with a net debt / EBITDAX of 1.0x and is in a strong financial position.

Financial risk management

In order to reduce the risk related to oil price fluctuations, the company has established an oil price hedging programme. At the end of December 2022, Pandion Energy had entered into hedging contracts for the period up to and including Q4 2023. The hedging program is based on put options.

At the end of December, 51% of the after tax (14% of pre tax) crude oil production volumes up to the end of 2023 had been hedged at an average floor price of 52 USD/bbl (USD 49.8/bbl net of costs). Additional positions may be added to the program going forward, however, the structure, amounts and levels of any further hedging will depend on how the market for commodity derivatives develops.

Current hedging positions is sufficient to cover the current hedging requirements in the RBL agreement.

The company has recognised a realised loss from hedging in Q4 2022 presented as other income. The loss amounted to USD 0.2 million.

Operational review

Exploration and evaluation activities

On 2 December, Pandion Energy announced a discovery with commercial potential following drilling on the Calypso prospect in PL 938 in the Norwegian Sea. Pandion Energy holds a 20 per cent participating interest in the production license which is operated by Neptune Energy.

The Calypso discovery is the company`s fifth consecutive discovery in mature areas on the NCS . The partners in the Calypso license are considering options to effectively develop the discovery using nearby infrastructure.

The Calypso discovery is located 14 kilometres north-west of the Draugen field and 22 kilometres north-east of the Njord A platform.

Nova field

Production from the Nova field was 1.7 thousand barrels of oil equivalents per day net to Pandion (including compensation volume).

The Nova field licence group is obligated to compensate the Gjøa licence group for deferred production due to the tie-in operations. The compensation shall be paid in kind by the Nova group's own production. The compensation volume in Q4 2022 was 985 barrels of oil equivalent per day net from Pandion.

The production was lower than expected during the quarter due to issues with the water injection wells. Some of the issues were successfully resolved by an Inspection Maintenance Repair operation in December.

A side-track water injection well will be drilled in May 2023 to increase the water injection volume and effect on production. Further actions to improve water injection on the field are under evaluation.

Operational review

Valhall and Hod fields

Production from Valhall and Hod fields was 6.2 thousand barrels of oil equivalents per day net to Pandion, up from 5.6 mboepd in the previous quarter due to continued ramp-up at Hod as well as improved regularity. One new infill well on Valhall Flank West was put on production in the quarter. Production efficiency was at 89 percent.

The Noble Integrator rig continues to support stimulation and intervention activities and bring more wells up to their full production potential at Valhall. Towards the end of the first quarter 2023, the rig will be relocated to Hod to embark on the first phase of a campaign to permanently plug and abandon eight wells at the old Hod A platform.

The Plan for Development and Operations (PDO) for the joint Valhall PWP & Fenris development project was submitted to the authorities in December 2022. The selected development concept consists of a new centrally located production and wellhead platform (PWP) bridge-linked to the Valhall central complex. Total recoverable resources for Valhall are estimated 70 mmboe at Valhall. Production start is planned for the second quarter 2027.

The project will involve a modernisation of Valhall that ensures continued operation when parts of the current infrastructure are to be phased out in 2028, thus enabling production of the remaining Valhall reserves from 2029 onwards.

Other activities

Pandion Energy will continue to be an active and responsible partner in driving value in high quality assets on the Norwegian continental shelf. As part of this, the company actively searches for and evaluates opportunities to make value-accretive investments (e.g. through acquisitions, farm-ins, licencing rounds, swaps or other) and to divest assets to realise value created in its existing portfolio (e.g. through sale, farm-downs, swaps or other), and/or to seek business combinations that may cater for further, profitable growth.

Interim financial statements

Income statement

QUARTERLY				FULL YEAR	
Q4 2022	**Q4 2021**	(USD`000)	**Note**	**2022**	**2021**
76 695	42 485	Revenues		213 137	137 939
2 875	(174)	Other income		2 368	(2 016)
79 570	**42 311**	**Total revenues and income**	1	**215 505**	**135 922**
(12 967)	(8 721)	Operating expenses		(47 430)	(35 137)
(12 245)	(11 829)	Depreciation, amortisation and net impairment losses	2,4	(35 275)	(32 521)
(6 169)	(33 921)	Exploration expenses		(15 111)	(44 731)
(31 382)	**(54 471)**	**Total expenses**		**(97 816)**	**(112 390)**
48 188	**(12 160)**	**Profit / (loss) from operating activities**		**117 689**	**23 533**
(3 742)	(3 339)	Net financial items	5	(26 836)	(16 917)
44 447	**(15 499)**	**Profit / (loss) before taxes**		**90 854**	**6 616**
(19 429)	14 410	Income tax	6	(82 588)	(1 321)
25 018	**(1 089)**	**Net profit / (loss)**		**8 266**	**5 295**

Statement of comprehensive income

QUARTERLY				FULL YEAR	
Q4 2022	**Q4 2021**	(USD`000)	**Note**	**2022**	**2021**
25 018	(1 089)	Net profit / (loss)		8 266	5 295
-	(372)	Net gain/losses arising from hedges recognised in OCI		14 126	(1 332)
-	649	Net amount reclassified to profit and loss		(11 728)	3 393
-	(61)	Tax on items recognised over OCI		(527)	(453)
-	216	Other comprehensive income		1 871	1 607
25 018	**(873)**	**Total comprehensive income / (loss)**		**10 137**	**6 902**

Interim financial statements

Statement of financial position

Assets

(USD`000)	Note	31.12.2022	31.12.2021
Goodwill	3,4	63 138	63 138
Intangible assets	3,4	63 339	42 933
Property, plant and equipment	2,4	552 770	428 526
Prepayments and financial receivables		122	136
Right-of-use assets		982	506
Total non-current assets		**680 351**	**535 239**
Inventories		9 914	8 394
Trade and other receivables		19 005	21 325
Financial assets at fair value through profit or loss		951	222
Tax receivable - short term	6	51 433	28 501
Cash and cash equivalents		21 197	21 839
Total current assets		**102 499**	**80 279**
Total assets		**782 850**	**615 519**

Statement of financial position

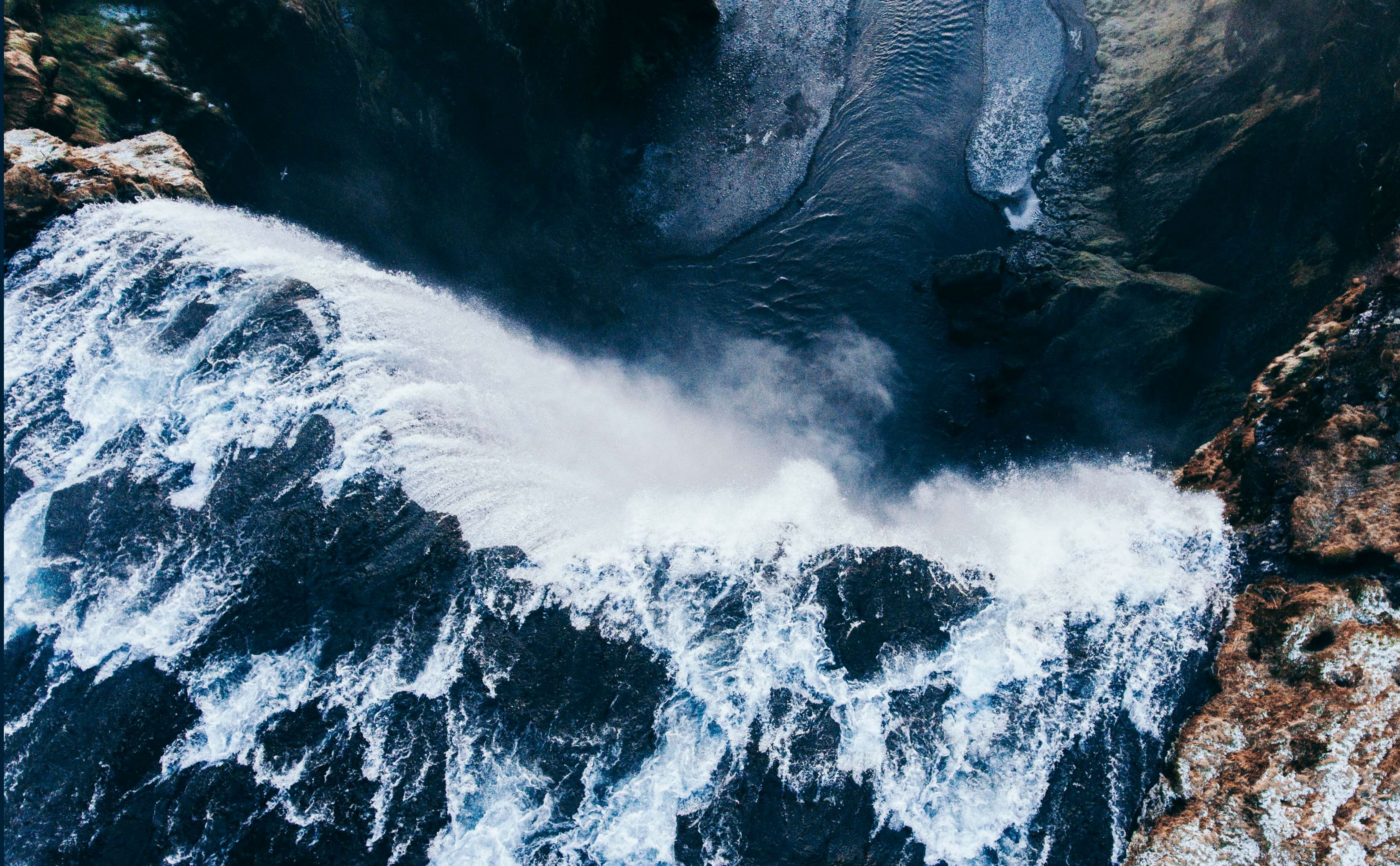
Equity and liabilities

(USD`000)	Note	31.12.2022	31.12.2021
Share capital		13 591	11 110
Other paid-in capital		100 640	103 120
Other equity		29 104	18 966
Total equity	7	**143 334**	**133 196**
Deferred tax liability		225 903	124 431
Asset retirement obligations	8	154 751	181 362
Borrowings	9	188 324	44 889
Long term lease debt		729	264
Long term provision		3 512	-
Total non-current liabilities		**573 218**	**350 946**
Asset retirement obligations - short term	8	7 840	10 099
Trade, other payables and provisions		57 477	27 904
Borrowings - short term	9	-	84 602
Hedging derivatives		-	8 064
Financial liabilities at fair value through profit or loss		786	468
Short term lease debt		197	240
Total current liabilities		**66 300**	**131 377**
Total liabilities		**639 518**	**482 323**
Total equity and liabilities		**782 850**	**615 519**

Statement of cash flows

(USD`000)	Note	FULL YEAR 2022	2021
Income before taxes		90 854	6 616
Depreciation, amortisation and net impairment losses	2	35 327	32 585
Expensed capitalised exploration expenses	3	3 472	38 252
Accretion of asset removal liability	5,8	7 484	6 098
(Increase) decrease in value of derivatives		(15 534)	(265)
Net financial expenses	5	19 352	10 819
Interest and fees paid		(19 583)	(10 127)
(Increase) decrease in working capital		5 776	(8 341)
Net income tax received		26 553	76 181
Net cash flow from operating activities		**153 701**	**151 817**
Payment for removal and decommissioning of oil fields	8	(7 284)	(20 121)
Investments in furniture, fixtures and office machines	2	(87)	(45)
Investments in oil and gas assets	2	(66 469)	(80 140)
Investments in exploration and evaluation assets	3	(36 155)	(27 018)
Acquisition of oil and gas assets		(109 956)	-
Net cash flow from investing activities		**(219 951)**	**(127 325)**
Proceeds from borrowings		241 080	28 463
Repayments of borrowings		(175 472)	(47 963)
Net cash flow from financing activities		**65 608**	**(19 500)**
Net change in cash and cash equivalents		(642)	4 993
Cash and cash equivalents at the beginning of the period		**21 839**	**16 846**
Cash and cash equivalents at the end of the period		**21 197**	**21 839**

Notes to the interim financial statements



Note 1

Segment information and disaggregation of revenue

All revenues are generated from activities on the Norwegian continental shelf, and derives from sale of oil, gas and NGL. As a result, Pandion Energy has decided not to include segment information as this would only state the same financials already presented in the income statement and balance sheet.

The company's revenue is disaggregated as follows:

	QUARTERLY		FULL YEAR	
Revenues	**Q4 2022**	**Q4 2021**	**2022**	**2021**
(USD`000)				
Oil	63 335	35 138	171 036	117 294
Gas	12 428	7 224	37 098	15 988
NGL	932	123	5 004	4 657
Total revenues	**76 695**	**42 485**	**213 137**	**137 939**

Other income	**Q4 2022**	**Q4 2021**	**2022**	**2022**
(USD`000)				
Realised gain/(loss) on oil derivates	(228)	(1 616)	(853)	(2 202)
Unrealised gain/(loss) on oil derivates	(436)	1 442	(318)	185
Other*	3 539	-	3 539	-
Total other income	**2 875**	**(174)**	**2 368**	**(2 016)**

*Other comprises change in estimate of the contingent additional considerations in relation to acquisition of ONE-Dyas Norge AS

Note 2

Property, plant and equipment

(USD`000)	Oil and gas assets	Tools and equipment*	Total
Carrying amount at 1 January 2021	**345 224**	**74**	**345 298**
Additions	80 140	45	80 185
Asset removal obligation - new or increased provisions	14 016	-	14 016
Asset removal obligation - change of estimate	17 795	-	17 795
Transfers from intangible assets	3 817	-	3 817
Depreciation*	(32 521)	(63)	(32 585)
Carrying amount at 31 December 2021	**428 471**	**55**	**428 527**
Additions	66 469	87	66 556
Addition through asset acquisition*	119 233	-	119 233
Asset removal obligation - new or increased provisions	4 524	-	4 524
Asset removal obligation - change of estimate	(43 020)	-	(43 020)
Transfers from intangible assets	12 277	-	12 277
Depreciation	(35 275)	(52)	(35 327)
Carrying amount at 31 December 2022	**552 680**	**91**	**552 770**
Estimated useful lives (years)	UoP	3-10	

*Depreciation of tools and equipment is allocated to development, operational and exploration activities based on registered time writing

*Addition of the Nova field (10%) through the acquisition and merger of ONE-Dyas Norge AS. The transaction was recognised as an asset acquisition under IAS 16 “Property, Plant and Equipment”

Note 3

Intangible assets

(USD`000)	Technical Goodwill	Exploration and evaluation assets	Total
Carrying amount at 1 January 2021	**63 138**	**57 984**	**121 122**
Acquisition	-	6 926	6 926
Capitalised licence costs	-	20 092	20 092
Expensed exploration expenditures previously capitalised	-	(38 252)	(38 252)
Transfers to tangible assets	-	(3 817)	(3 817)
Carrying amount at 31 December 2021	**63 138**	**42 933**	**106 071**
Capitalised license costs	-	36 155	36 155
Expensed exploration expenditures previously capitalised	-	(3 472)	(3 472)
Transfers to tangible assets	-	(12 277)	(12 277)
Carrying amount at 31 December 2022	**63 138**	**63 339**	**126 477**

Note 4
Impairments

Impairment tests of individual cash-generating units are performed when impairment triggers are identified and for goodwill impairment is tested annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

In Q4 2022, two categories of impairment tests have been performed:

- Impairment test of oil and gas assets and related intangible assets
- Impairment test of technical goodwill

In the assessment of whether an impairment is required at 31 December 2022, Pandion Energy has used a combination of Brent forward curve from the beginning of 2023 to the end of 2024, a mean of market participant view from 2025 to 2028, and a 2% inflation of the 2028 market participant view from 2029 and onwards, a future cost inflation rate of 2% per annum and a discount rate of 10% to calculate the future post tax cash flows.

No impairments of oil and gas assets and related intangible assets or technical goodwill were recognised in Q4 2022.

Note 5
Financial items

(USD`000)	QUARTERLY Q4 2022	Q4 2021	FULL YEAR 2022	2021
Net foreign exchange gains (losses)	228	970	(1 989)	1 008
Foreign exchange gains/losses on derivative financial instruments	2 347	242	(954)	32
Interest income	241	2	381	7
Amortised loan costs	(574)	(379)	(2 938)	(1 056)
Accretion expenses	(2 032)	(1 541)	(7 484)	(6 098)
Interest expenses	(3 981)	(2 572)	(13 080)	(10 391)
Other financial items	29	(61)	(771)	(420)
Net financial items	**(3 742)**	**(3 339)**	**(26 836)**	**(16 917)**

The increase in interest expenses in Q4 is due to increased borrowings following debt refinancing process completed in June 2022 combined with increased interest rates.

The increase in amortised loan costs in year to date is explained by derecognition of capitalised loan costs in relation to refinancing of RBL and the senior unsecured bond debt in Q2 2022.

Note 6
Taxes

QUARTERLY				FULL YEAR	
Q4 2022	**Q3 2022**	**Q4 2021**	(USD`000)	**2022**	**2021**
44 447	18 638	(15 499)	Profit / (loss) before taxes	90 854	6 616
(19 429)	(25 332)	14 410	Income tax	(82 588)	(1 321)
44 %	136 %	(93 %)	Effective tax rate	91 %	20%

Income taxes for the full year 2022 is estimated to be USD 82.6 million, an increase from USD 1.3 million for the full year 2021. The increase is mainly due to higher profits in 2022 following higher realised oil and gas prices. The effective tax rate in 2022 is 91% compared to 20% in 2021. The difference from the statutory tax rate of 78% in 2022 is mainly related to financial items only deductible in corporate tax and exchange rate effects, partly offset by uplift. The effective tax rate in Q4 2022 is 44%, compared to 136% in Q3 2022, which is significantly impacted by USDNOK currency fluctuations during the respective periods.

The tax calculation is based on the new tax petroleum system enacted in June 2022 with effect from 1 January 2022. According to the new rules the special petroleum tax (56%) is converted into a cash based tax with immediate deductions for expenses incurred. The tax value of new losses (both exploration losses and other losses) in the special tax base is refunded. As part of the transition to the new tax regime, tax value of historical losses and utilised uplift will be settled as part of tax assessment for 2022:

(USD`000)	
Tax receivable from current year tax losses	21 189
Tax receivable from prior year tax losses and uplift	30 244
Total tax receivable at 31.12.2022	**51 433**

Note 7

Equity and Shareholders

(USD`000)	Share Capital	Other paid-in capital	Other reserves	Retained earnings	Total equity
Shareholders' equity at 1 January 2021	**114 230**	**-**	**(3 478)**	**15 542**	**126 294**
Share capital decrease – unregistered	(103 120)	103 120	-	-	-
Net income (loss) for the period	-	-	-	5 295	**5 295**
Other comprehensive income (loss) for the period	-	-	1 607	-	**1 607**
Shareholders' equity at 31 December 2021	**11 110**	**103 120**	**(1 871)**	**20 837**	**133 196**
Share capital decrease	2 481	(2 481)	-	-	**-**
Net income for the period	-	-	-	8 266	**8 266**
Other comprehensive income for the period	-	-	1 871	-	**1 871**
Shareholders' equity at 31 December 2022	**13 591**	**100 640**	**-**	**29 103**	**143 333**

Share capital of NOK 9,119,212.94 comprised 911,921,294 of shares at a nominal value of NOK 0.01. Pandion Energy Holding AS owns all 911,921,294 shares as at 31 December 2022.

Note 8

Asset retirement obligations (ARO)

(USD`000)	
Asset retirement obligations at 1 January 2021	**173 673**
New or increased provisions	14 016
Asset removal obligation - change of estimate	17 795
Incurred removal cost	(20 121)
Accretion expenses	6 098
Asset retirement obligations at 31 December 2021	**191 461**
New provision through asset acquisition*	9 427
New or increased provisions	4 524
Incurred removal cost	(7 284)
Asset removal obligation - change of estimate	(6 138)
Effects of change in the discount rate	(36 882)
Accretion expenses	7 483
Asset retirement obligations at 31 December 2022	**162 591**
Non-current portion 31 December 2022	154 751
Current portion 31 December 2022	7 840

The calculations assume an inflation rate of 2.0 per cent and a nominal rate before tax of 5.0 per cent (year end 2021: 4.0 per cent). The decrease in estimated ARO is mainly due to increased discount rate.

*Addition from the Nova field (10%) through the acquisition and merger of ONE-Dyas Norge AS

Note 9
Borrowings

Revolving exploration loan facility

(USD'000)	Facility currency	Utilised amount	Interest	Maturity	Carrying amount
At 31 December 2022	NOK	-	NIBOR + 1.75 %	Dec 2022	-
At 31 December 2021	NOK	19 276	NIBOR + 1.75 %	Dec 2022	19 174

The company signed a Revolving Exploration Finance Facility Agreement ("EFF") on 13 November 2017 of NOK 400 million . The final repayment of the EFF was made in Q4 2022 after which it was expired.

Unsecured bond

(USD'000)	Facility currency	Utilised amount	Interest	Maturity	Carrying amount
At 31 December 2022	USD	75 000	9.75%	June 2026	73 680
At 31 December 2021	NOK	49 566	10.61%	April 2023	43 889

The company has accomplished a bond issue of USD 75 million with a tenor of 4 years during second quarter of 2022. The purpose of the new bond issue is refinancing of the NOK 400 million senior unsecured bond as well as general corporate purposes. The bond of NOK 400 million has been redeemed in June 2022.

The financial covenants are as follows:

- Net debt to EBITDAX not to exceed 3.5x
- Minimum cash balance of USD 10 million

Note 9

Borrowings cont.

Reserve base lending facility agreement (RBL)

(USD'000)	Facility currency	Utilised amount	Undrawn facility*)	Interest	Maturity	Carrying amount
At 31 December 2022	USD	116 500	83 500	SOFR + 3.5%	April 2029	113 643
At 31 December 2021	USD	67 000	83 000	LIBOR + 3.25%	July 2026	65 429

The RBL facility was established in 2018 and is a senior secured seven-year facility. In June 2022, the company signed an amendment and extension of the facility with final maturity date defined as the earliest of 1 April 2029 and the date falling 6 months prior to the maturity date of the current bond debt. The facility is at USD 200 million with an additional uncommitted accordion option of USD 200 million. The interest rate is floating 1-6 months SOFR with 3.5% margin. In addition, a commitment fee is paid for unused credits.

The financial covenants are as follows:

- Net debt to EBITDAX not to exceed 3.5x
- Corporate sources to corporate uses applying a ratio of 1.1 to 1 for the next 12 months period
- Corporate sources to corporate uses applying a ratio of 1 to 1 for the period up to estimated first oil of any development assets
- Minimum cash balance of USD 10 million
- Exploration spending after tax on a yearly basis restricted to the higher of USD 20 million and 10% of EBITDAX unless such spending are funded by new cash equity, subordinated shareholder loan or within permitted distributions.

*)Calculated out of facility size of USD 200 million. Credit approved borrowing base as of 30 September 2022 is USD 158 million.

Note 9

Borrowings cont.

Non-current liabilities to related parties

By entering into a subscription agreement with Kerogen Investment no.28 Pandion Energy has agreed to pay a commitment fee as listed below:

	Facility currency	Loan amount
Kerogen Investment no. 28 Limited	USD	1 000

Kerogen Investments no.28 Limited's rights and claims for such Commitment Fee is subordinated to the rights and claims of all other existing creditors of Pandion Energy.

Maturity profile on total borrowings based on contractual undiscounted cash flows

(USD`000)	31.12.2022	31.12.2021
Less than 12 months	-	86 276
1 to 5 years *)	192 500	49 566
Over 5 years	-	1 000
Total	**192 500**	**136 841**

*)The RBL facility is classified as a borrowing with maturity 1 to 5 years according to the final maturity date defined as the earliest of 1 April 2029 and the date falling 6 months prior to the maturity date of the current bond debt (5 December 2025) ("Spring maturity clause").

Note 10

Other commitments and contingencies

The company has secondary obligation for removal cost of offshore installations related to 20% share in the divested the Duva field. The obligation is limited to approximately USD 5.9 million.

Pandion Energy is further required to participate in the approved work programmes for the licences. The company's operations involve risk of damages, including pollution. The company has insured its pro rata liability on the Norwegian continental shelf on a par with other oil companies.

As of end 31 December 2022, the company was not subject to any legal disputes.

Note 11

Subsequent events

In January 2023, Pandion Energy AS was awarded two licences under the 2022 APA (Award in Predefined Areas) licence round on the Norwegian Continental Shelf:

- **License PL 1180** located in the Greater Gjøa area in the North Sea, the company was offered a 30 percent interest in the license
- **License PL 1149B** additional acreage to PL 1149 located west of the Nova field in the North Sea. Pandion hold a 30 percent interest in the license

Alternative performance measures

Pandion Energy may disclose alternative performance measures as part of its financial reporting as a supplement to the interim financial statements prepared in accordance with simplified IFRS and believes that the alternative performance measures provide useful supplemental information to stakeholders.

EBITDAX	Earnings before interest, tax, depreciation, amortization, impairment and exploration expenses
Net debt	Outstanding current and non-current interest-bearing debt less cash, cash equivalents, subordinated shareholder loans and Exploration loan
Corporate sources	Cash balance, revenues, equity and external funding
Corporate uses	Operating expenditures, capital expenditures, abandonment expenditures, general and administration costs, exploration costs, acquisition costs and financing costs