



Pandion Energy AS

Interim financial statements
(unaudited)

First quarter 2025



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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 (“RBL”) facility agreement dated 2 June 2022
- Bond terms for senior unsecured bond dated 2 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 based on 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 7 February 2022, 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 2024.

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 2024.

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.





Financial review

Revenues

In Q1 2025, the company generated total revenues of USD 44.9 million, down from USD 54.8 million in the same period last year. The decrease was primarily attributable to a reduction in oil sales volume and lower oil prices. Oil volumes sold decreased by 45% compared with Q1 2024 mainly due to underlift during the quarter. This impact was partially mitigated by increased sales volumes and higher prices for gas and NGL.

During Q1 2025, average realised oil price before hedging was USD 78.0 per boe, compared to USD 89.1 per boe achieved in Q1 2024. The average realised gas price in Q1 2025 was USD 87.4 per boe, an increase from USD 52.1 per boe in the same period last year. The combined average realised price for oil, gas and NGL during the quarter was USD 72.2 per boe compared to USD 85.5 per boe achieved in Q1 2024.

The volume of oil sold was 318 kboe in Q1 2025 compared to 577 kboe in Q1 2024. The volume of gas sold was 142 kboe in Q1 2025 compared to 59 kboe in Q1 2024. The total volume of oil, gas and NGL sold during the quarter was 626 kboe compared to 637 kboe in Q1 2024.

Operating expenses and financial results

In Q1 2025, the company's EBITDAX reached USD 36.9 million, a decrease from USD 46.9 million achieved in the same period last year. The lower EBITDAX can be attributed to the decreased revenues during the quarter.

Operating expenses amounted to USD 8.0 million in Q1 2025 compared to USD 7.8 million in Q1 2024.

The profit from operating activities came at USD 0.6 million, a decrease from USD 28.8 million in Q1 2024. The decrease is mainly related to reduced revenues and increased exploration expenses. The latter is related to drilling of the Horatio prospect in PL 1109 which was reported dry.



Financial review

Capital expenditures

Investments in exploration and evaluation assets totalled USD 29.1 million in Q1 2025, primarily related to the drilling of the PL 1119 Mistral South and PL 1109 Horatio exploration wells. In addition, investments were made in relation to the ongoing drilling of the PL 891 Slagugle appraisal well, along with the evaluation of the PL 929 Ofelia discoveries toward DG2.

Investments in fixed assets in Q1 2025 totalled USD 20.4 million, of which USD 16.2 million was allocated to the Valhall and Hod fields, primarily related to the PWP project. The remaining USD 4.2 million was invested in the Nova field and the drilling of a new water injection well.

Financial position

As of the end of Q1 2025, the company's interest-bearing debt increased by USD 3.5 million from Q4 2024, bringing the gross debt to USD 97.0 million. The debt is comprised of a bond loan of USD 75.0 million and a RBL drawdown of USD 22.0 million. Overall, the company maintains its strong financial position with a leverage ratio of only 0.4x net debt/EBITDAX.

Financial risk management

In order to reduce the risk related to oil price fluctuations, the company has established an oil price hedging programme.

As of the end of March 2025, 65% of the after-tax crude oil production volumes through year-end 2025 (equivalent to 19% of pre-tax volumes) had been hedged at an average floor price of USD 54 per barrel (USD 52 per barrel net of costs). In April 2025, the hedging program was extended to cover the first half of 2026, following a structure similar to that of the 2025 hedging. Additional positions may be added to the program going forward; however, the structure, volume, and price levels of any further hedging will depend on developments in the commodity derivatives market.

The company has recognised a realised loss from hedging in Q1 2025 presented as other income. The loss amounted to USD 0.1 million.



Operational review

Valhall and Hod fields

During the first quarter, production from Valhall field averaged 5.3 thousand barrels of oil equivalents per day, net to Pandion Energy. Production efficiency dropped to 92 percent, compared to 94 percent the previous quarter primarily due to planned downtime on existing wells in preparation for drilling new wells under the Valhall PWP project.

The partnership continues to identify upside potential in the area, with two new infill wells approved during the quarter.

The Valhall PWP project progressed as planned during the first quarter, with fabrication and construction activities advancing on schedule. Offshore modification work is ongoing at the Valhall facilities and preparation are underway for installation of the PWP jacket and bridge. Preparations for production drilling at Valhall PWP are in progress, scheduled to begin in the summer of 2025.

The PWP project is a joint development project together with the Fenris field and will modernise the Valhall hub. Production start is expected in 2027.

Nova field

In the first quarter 2025, production from the Nova field averaged 2.4 thousand barrels of oil equivalents per day, net to Pandion Energy. Production efficiency was 99 percent.

The Nova field licence group has compensated the Gjøa licence group for deferred production due to the tie-in operations. This volume is currently being redelivered to Nova. The compensation volume in Q1 2025 was 0.7 thousand barrels of oil equivalent per day net to Pandion Energy.

A fourth water injector has been drilled at Nova which has enhanced production. The water injection system at Nova has now reached design rates which is expected to stabilise the production. Increased water cut and reservoir complexity remain challenges at Nova and mitigating initiatives are continuously being assessed and implemented.



Operational review

Exploration and evaluation activities

During the quarter, the partnership in PL 1119 drilled an exploration well on the Mistral South prospect. A gas/condensate discovery was confirmed, and preliminary estimates indicate that the discovery contains between 3 and 7 million standard cubic meters (Sm³), which corresponds to between 19 and 44 million barrels. The licence group will now evaluate the commerciality of the discovery by studying options for effective development using existing infrastructure in the area. Pandion holds a 20 per cent interest in the licence.

The partnership in PL 1109 drilled an exploration well on the Horatio prospect. The well was reported dry and has been plugged and abandoned. The associated costs have been expensed in Q1 2025. Pandion holds a 20 per cent interest in the licence.

A second appraisal well on the Slagugle discovery (PL 891) was spudded at the end of the quarter and drilling operations are currently ongoing. The company holds a 20 percent participating interest in the discovery.

The PL 929 joint venture is currently maturing the Ofelia discoveries towards a development decision. With its proximity to Gjøa, this is a fast track, cost-effective and low-carbon development.

In December 2024, Pandion Energy signed an agreement with Vår Energi ASA to divest its 7.5% participating interest in PL 820S and PL 820BS with effective date 1 January 2025. The transaction was approved by the Ministry of Energy on 26 February 2025.

In January 2025, the company was awarded three licences in the 2024 APA (awards in predefined areas) Licensing Round on the Norwegian Continental Shelf:

- PL 006G – additional acreage to the Valhall & Hod fields where Pandion Energy holds a 10 percent interest.
- PL 263H – additional acreage to the Sierra & Solberg discoveries where Pandion Energy holds a 49 percent interest.
- PL 1151B – additional acreage to PL 1151 in the Greater Gjøa area where Pandion holds several licenses. Following the award, the company holds 20 percent in both PL 1151 and PL 1151B.

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.





Statement of income

(USD`000)	Note	QUARTERLY		FULL YEAR
		Q1 2025	Q1 2024	2024
Revenues		45 147	54 484	222 963
Other income		(217)	309	818
Total revenues and income	1	44 929	54 793	223 511
Operating expenses	2	(8 027)	(7 844)	(36 151)
Depreciation, amortisation and net impairment losses	3,4,5	(20 539)	(16 893)	(87 492)
Exploration expenses	2,4	(15 800)	(1 225)	(8 210)
Total expenses		(44 366)	(25 962)	(131 853)
Profit from operating activities		563	28 830	91 658
Interest income		178	174	1 101
Interest expenses		(2 859)	(3 558)	(16 631)
Other financial income/(expenses)		335	(2 238)	(9 640)
Net financial items	6	(2 346)	(5 622)	(25 170)
Profit before income tax		(1 783)	23 208	66 489
Income tax	7	8 205	(28 633)	(74 638)
Net income (loss)		6 422	(5 425)	(8 149)



Statement of financial position

Assets

(USD`000)	Note	31.03.2025	31.12.2024
Tax receivable		12 167	-
Goodwill	4,5	26 638	26 638
Intangible assets	4,5	111 787	97 133
Property, plant and equipment	3,5	598 809	599 006
Prepayments and financial receivables		1	1
Right-of-use assets		1 079	1 081
Total non-current assets		750 481	723 858
Inventories	8	22 109	18 078
Trade and other receivables	9	42 588	58 331
Financial assets at fair value through profit or loss		3 387	-
Cash and cash equivalents		23 729	21 262
Total current assets		91 812	97 670
Total assets		842 292	821 528



Statement of financial position

Equity and liabilities

(USD`000)	Note	31.03.2025	31.12.2024
Share capital		13 591	13 591
Other paid-in capital		100 640	100 640
Other equity		(10 490)	(16 912)
Total equity	10	103 740	97 318
Deferred tax liability		339 394	334 144
Asset retirement obligations	11	202 203	200 114
Borrowings	12	75 698	75 586
Long term lease debt		791	797
Total non-current liabilities		618 085	611 642
Asset retirement obligations – short term	11	7 068	7 563
Trade, other payables and provisions	13	62 477	52 607
Borrowings – short term	12	20 492	16 941
Tax Payable		29 758	33 395
Financial liabilities at fair value through profit or loss		468	1 933
Short term lease debt		204	130
Total current liabilities		120 467	112 569
Total liabilities		738 552	724 210
Total equity and liabilities		842 292	821 528



Statement of cash flows

(USD`000)	Note	QUARTERLY		FULL YEAR
		Q1 2025	Q1 2024	2024
Income before tax		(1 783)	23 208	66 489
Depreciation, amortisation and net impairment losses	3	20 539	16 893	87 492
Expensed capitalised exploration expenses	4	14 403	55	3 870
Accretion of asset removal liability	6,11	2 289	2 144	8 644
(Increase) decrease in value of operational financial asset		87	214	(66)
Net financial expenses		57	3 478	16 526
Interest and fees paid		597	(1 214)	(16 146)
(Increase) decrease in working capital		6 025	(23 654)	(23 904)
Net income tax received/(paid)		(4 999)	(3 020)	(19 305)
Net cash flow from operating activities		37 215	18 105	123 599
Payment for removal and decommissioning of oil fields	11	(696)	(7 129)	(20 836)
Investments in oil and gas assets	3	(20 358)	(13 590)	(81 657)
Investments in exploration and evaluation assets	4	(17 248)	(4 162)	(15 772)
Cash flow from divestments		53	-	-
Net cash flow from investing activities		(38 248)	(24 881)	(118 265)
Proceeds from borrowings		3 500	-	18 000
Repayments of borrowings		-	-	(32 500)
Net cash flow from financing activities		3 500	-	(14 500)
Net change in cash and cash equivalents		2 467	(6 776)	(9 166)
Cash and cash equivalents at the beginning of the period		21 262	30 428	30 428
Cash and cash equivalents at the end of the period		23 729	23 652	21 262





Note 1

Segment information and disaggregation of revenue

All revenues are generated from activities on the Norwegian continental shelf (NCS), and derives from 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	Q1 2025	Q1 2024	2024
(USD`000)			
Oil	24 843	51 380	196 399
Gas	12 449	3 076	23 747
NGL	7 856	29	2 547
Total revenues	45 147	54 484	222 693
Other income	Q1 2025	Q1 2024	2024
(USD`000)			
Realised gain/(loss) on oil derivatives	(132)	(107)	(646)
Unrealised gain/(loss) on oil derivatives	(87)	(264)	(19)
Other*	1	680	1 482
Total other income	(217)	309	818

*Other mainly comprises insurance settlement and change in estimate of contingent considerations



Note 2

Operating and exploration expenses

The company's operating and exploration expenses is disaggregated as follows:

	QUARTERLY		FULL YEAR
	Q1 2025	Q1 2024	2024
Operating Expenses			
(USD`000)			
Production costs*	8 392	6 712	30 997
Tariff and transportation costs**	2 757	1 685	9 326
Other costs	1 029	1 627	3 919
Operating expenses based on produced volumes	12 177	10 024	44 242
Adjustment for over/underlift (-)	(5 242)	(1 422)	(6 037)
Change in value of deferral settlements	1 093	(759)	(2 055)
Operating expenses based on sold volumes	8 027	7 844	36 151
 Total produced volumes (boe `000)	 693	 747	 2 908
Production costs per boe produced (USD/boe)	12	9	11
Operating expenses per boe produced (USD/boe)	18	13	15
 Exploration expenses	 Q1 2025	 Q1 2024	 2024
(USD`000)			
Expensed costs, seismic and studies	-	-	290
Expensed costs, general and administrative	1 397	1 171	4 050
Expensed exploration expenditures previously capitalised	14 403	55	3 870
Total exploration expenses	15 800	1 225	8 210

* Increased production costs in Q1 2025 are mainly related to higher well maintenance activities on Valhall and Hod fields

** Increased tariff and transportation costs are mainly related to volumes delivered as compensation to Gjøa and Vega from Nova field in Q1 2024 and redelivered to Nova field in Q1 2025



Note 3

Property, plant and equipment

(USD`000)	Oil and gas assets	Tools and equipment*	Total
Cost at 1 January 2024	816 922	453	817 375
Asset removal obligation - change of estimate/new provisions	81 657	-	81 657
Additions	(19 713)	-	(19 713)
Cost at 31 December 2024**	878 866	453	879 319
Accumulated depreciation and impairments 1 January 2024	(192 441)	(298)	(192 739)
Depreciation	(72 592)	(83)	(72 674)
Impairment	(14 900)	-	(14 900)
Accumulated depreciation and impairments 31 December 2024	(279 932)	(380)	(280 313)
Carrying amount at 31 December 2024	598 933	73	599 006
Cost at 1 January 2025	878 866	453	879 319
Additions	20 358	-	20 358
Cost at 31 March 2025	899 224	453	899 677
Accumulated depreciation and impairments 1 January 2025	(279 932)	(380)	(280 313)
Depreciation	(20 539)	(16)	(20 555)
Accumulated depreciation and impairments 31 March 2025	(300 471)	(397)	(300 868)
Carrying amount at 31 March 2025	598 753	56	598 809
Estimated useful lives (years)	UoP	1-2	

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

** Legal ownership of incremental equipment amounting to USD 15.7m has been transferred from Nova to Gjøa in 2024



Note 4

Intangible assets

<i>(USD`000)</i>	Technical Goodwill	Exploration and evaluation assets	Total
Cost at 1 January 2024	124 785	138 993	236 778
Capitalised licence costs	-	15 772	15 772
Cost at 31 December 2024	124 785	154 765	279 550
Accumulated depreciation and impairments at 1 January 2024	(98 147)	(53 763)	(151 910)
Expensed exploration expenditures previously capitalised	-	(3 870)	(3 870)
Accumulated depreciation and impairments at 31 December 2024	(98 147)	(57 633)	(155 779)
Carrying amount at 31 December 2024	26 638	97 133	123 771
Cost at 1 January 2025	124 785	154 765	279 550
Capitalised licence costs	-	29 111	29 111
Disposals	-	(53)	(53)
Cost at 31 March 2025	124 785	183 823	308 608
Accumulated depreciation and impairments at 1 January 2025	(98 147)	(57 633)	(155 779)
Expensed exploration expenditures previously capitalised	-	(14 403)	(14 403)
Accumulated depreciation and impairments at 31 March 2025	(98 147)	(72 036)	(170 182)
Carrying amount at 31 March 2025	26 638	111 787	138 426



Note 5

Impairments

Impairment tests of individual cash-generating units are performed when impairment/reversal 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. Prior period impairment of goodwill is not subject to reversal.

In Q1 2025, two categories of impairment tests have been performed:

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

When assessing whether an impairment is required on 31 March 2025, Pandion Energy has used a combination of Brent forward curve in 2025 and 2026, a mean of market participant view for 2027 to 2029 and 70.0 USD per boe in real terms from 2030 and onwards. An inflation rate of 2 per cent per annum and a discount rate of 9 per cent have been applied to calculate the future post-tax cash flows. Below is an overview of the key assumptions applied for impairment testing purposes as of 31 March 2025.

	2025	2026	2027	2028	2029	2030
Brent oil price, USD/boe, in real 2024 terms	74	68	67	68	70	70
Currency rates, USD/NOK	10,7	10,6	10,5	10,3	10,2	10,1

No further impairments or reversal of impairments of oil and gas assets and related intangible assets or technical goodwill were recognised in Q1 2025.



Note 6

Financial items

	QUARTERLY		FULL YEAR
(USD`000)	Q1 2025	Q1 2024	2024
Interest income	178	174	1 101
Total interest income	178	174	1 101
Interest expenses	(2 823)	(3 114)	(16 193)
Interest on lease debt	(23)	(160)	(240)
Capitalised interest cost, development projects	150	(48)	247
Amortised loan costs	(163)	(236)	(446)
Total interest expenses	(2 859)	(3 558)	(16 631)
Net foreign exchange losses	(2 216)	1 386	1 299
Foreign exchange gains/losses on derivative financial instruments	4 391	(1 432)	(2 302)
Accretion expenses	(2 289)	(2 144)	(8 644)
Other financial expenses	449	(48)	7
Total other financial expenses	335	(2 238)	(9 640)
Net financial items	(2 346)	(5 622)	(25 170)



Note 7

Taxes

(USD`000)	QUARTERLY		FULL YEAR
	Q1 2025	Q1 2024	2024
Profit before tax	(1 783)	23 208	66 489
Income tax	8 205	(28 633)	(74 638)
Effective tax rate	460%	123%	112%

The deviation from the statutory tax rate of 78% in Q1 2025 is primarily due to currency movements of the tax balances due to fluctuations in the exchange rate between NOK and USD and financial items subject to a lower tax rate.



Note 8

Inventories

(USD`000)

	31.03.2025	31.12.2024
Inventories – measured at cost	13 433	11 432
Provision for obsolete equipment	(1 387)	(1 387)
Underlift of petroleum products	10 064	8 033
Inventories	22 109	18 078



Note 9

Trade and other receivables

<i>(USD`000)</i>	31.03.2025	31.12.2024
Trade receivables	17 830	22 163
Accrued income from sale of petroleum products	-	7 966
Value deferral settlements	5 425	6 518
Other receivables, mainly balances with licence operators	19 333	21 684
Trade and other receivables	42 588	58 331



Note 10

Equity and Shareholders

<i>(USD`000)</i>	Share Capital	Other paid-in capital	Retained earnings	Total equity
Shareholders' equity at 1 January 2024	13 591	100 640	(8 761)	105 467
Restated net profit (loss) for the period	-	-	(8 149)	(8 149)
Shareholders' equity at 31 December 2024	13 591	100 640	(16 910)	97 318
Net profit (loss) for the period	-	-	6 422	6 422
Shareholders' equity at 31 March 2025	13 591	100 640	(10 490)	103 740

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 at 31 March 2025.



Note 11

Asset retirement obligations (ARO)

(USD`000)

Asset retirement obligations at 1 January 2024	239 582
New or increased provisions	1 375
Asset removal obligation – change of estimate	(21 088)
Incurred removal cost	(20 836)
Accretion expenses	8 644
Asset retirement obligations at 31 December 2024	207 677
New or increased provisions	
Asset removal obligation – change of estimate	
Incurred removal cost	(696)
Accretion expenses	2 289
Asset retirement obligations at 31 March 2025	209 270
Non-current portion at 31 March 2025	202 203
Current portion at 31 March 2025	7 067

The calculations assume an inflation rate of 2.0 per cent and a nominal pre-tax (risk-free) discount rate of 4.6 per cent.



Note 12

Borrowings

Senior unsecured bond

<i>(USD'000)</i>	Facility currency	Utilised amount	Interest	Maturity	Carrying amount
31 March 2025	USD	75 000	9.75%	June 2026	74 698
31 December 2024	USD	75 000	9.75%	June 2026	74 586

The company has a senior unsecured bond of USD 75 million with a tenor of 4 years and maturity date 3 June 2026. The bond is listed on Nordic ABM.

The financial covenants are as follows:

- Leverage ratio: Net debt to EBITDAX not greater than 3.5x
- Minimum liquidity: Not less than USD 10 million



Note 12

Borrowings cont.

Reserve base lending facility agreement (RBL)

(USD'000)	Facility currency	Utilised amount	Undrawn facility*	Interest	Maturity	Carrying amount
31 March 2025	USD	22 000	178 000	SOFR + 3.5%	April 2029	20 492
31 December 2024	USD	18 500	181 500	SOFR + 3.5%	April 2029	16 941

The RBL 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:

- Leverage ratio: Net debt to EBITDAX not greater than 3.5x
- Minimum liquidity: Not less than USD 10 million and
- Liquidity test: 12 months test to demonstrate a 1.1:1 ratio of corporate sources to uses
- Funding test: Up to first oil for any developments to demonstrate a 1:1 ratio of corporate sources
- Exploration spending: After tax cost on a yearly basis, maximum the higher of USD 20 million or 10% of EBITDAX unless the after-tax cost is funded by permitted distribution or new equity injections

At end of Q1 2025, the RBL facility is classified as current liabilities due to its final maturity date being defined as the earlier of 1 April 2029 or six months prior to the maturity date of the current bond debt (10 December 2025), unless the current bond loan is refinanced. Such refinancing will find place after the reporting period and is considered a non-adjusting event.

* Calculated out of facility size of USD 200 million. Credit approved borrowing base as of 31 March 2025 is USD 102 million, new borrowing base of USD 92.8 million as of 1 May 2025.



Note 12

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 a commitment fee is subordinate to the rights and claims of the RBL banks and holders of the Pandion Energy Bond.

Maturity profile on total borrowings based on contractual undiscounted cash flows

(USD`000)	31.03.2025	31.12.2024
Less than 12 months	22 000	18 500
1 to 5 years	76 000	76 000
Total	98 000	94 500



Note 13

Trade, other payables and provisions

<i>(USD`000)</i>	31.03.2025	31.12.2024
Trade payables	2 372	945
Share of payables in licences	48 819	36 767
Overlift of petroleum	59	3 271
Other non-trade payables, accrued expenses and provisions*	11 227	11 624
Trade, other payables and provisions	62 447	52 607

* Other non-trade payables include accrued public charges and indirect taxes and payroll liabilities.



Note 14

Other commitments and contingencies

The company has secondary obligation for removal cost of offshore installations related to 20% share in the divested Duva field. The obligation is estimated to approximately USD 6 million. No provision has been made for the potential obligation.

Note 15

Subsequent events

The company has evaluated subsequent events through the filing of the quarterly report. There have been no such events requiring recognition or disclosures in the financial statements.



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.

Net debt	Gross interest-bearing debt less cash and cash equivalents and current financial investments
EBITDAX	Earnings before interest, tax, depreciation, amortization, impairment and exploration expenses
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