



Pandion Energy AS

Interim financial statements
(unaudited)

Second 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 Q2 2025, the company generated total revenues of USD 59.9 million, up from USD 58.3 million in the same period last year. The increase is mainly due to increased sales volumes, and higher prices for gas and NGL. This was partially offset by a reduction in revenues from oil sales because of materially lower oil prices. Oil volumes sold increased by 15% compared with Q2 2024 mainly due to overlift during the quarter.

During Q2 2025, average realised oil price before hedging was USD 70.2 per boe, compared to USD 87.7 per boe achieved in Q2 2024. The average realised gas price in Q2 2025 was USD 68.7 per boe, an increase from USD 59.1 per boe in the same period last year. The combined average realised price for oil, gas and NGL during the quarter was USD 68.4 per boe compared to USD 84.5 per boe achieved in Q2 2024.

The volume of oil sold was 719 kboe in Q2 2025 compared to 627 kboe in Q2 2024. The volume of gas sold was 108 kboe in Q2 2025 compared to 61 kboe in Q2 2024. The total volume of oil, gas and NGL sold during the quarter was 875 kboe compared to 695 kboe in Q2 2024.

Operating expenses and financial results

In Q2 2025, the company's EBITDAX reached USD 34.1 million, a decrease from USD 50.8 million achieved in the same period last year. The lower EBITDAX can be attributed to increased operating expenses during the quarter.

Operating expenses amounted to USD 25.8 million in Q2 2025 compared to USD 7.5 million in Q2 2024. The increase is mainly related to overlift compared to underlift the same period last year.

The profit from operating activities came at USD 17.5 million, a decrease from USD 21.5 million in Q2 2024. The decrease is mainly related to increased operating expenses, partly offset by impairment in Q2 2024.



Financial review

Capital expenditures

Investments in exploration and evaluation assets totalled USD 14.4 million in Q2 2025, primarily related to the 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 Q2 2025 totalled USD 22.8 million, of which USD 21.9 million was allocated to the Valhall and Hod fields, primarily related to the PWP project. The remaining USD 0.9 million was invested in the Nova field.

Financial position

As of the end of Q2 2025, the company's interest-bearing debt increased by USD 18.0 million from Q1 2025, bringing the gross debt to USD 115.0 million. The debt is comprised of a bond loan of USD 75.0 million and a RBL drawdown of USD 40.0 million. Overall, the company maintains its strong financial position with a leverage ratio of 0.55x 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 June 2025, 68% of the after-tax crude oil production volumes through first half of 2026 (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). 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 Q2 2025 presented as other income. The loss amounted to USD 0.1 million.



Operational review

Valhall and Hod fields

During the second quarter, production from Valhall field averaged 3.4 thousand barrels of oil equivalents per day, net to Pandion Energy. This is down from previous quarter primarily due to a planned one-month shutdown in June for maintenance and project activities resulting in an overall production efficiency of 59 percent

The Original Valhall Decommissioning Project reached a key milestone in the quarter with the removal of the jacket for the old processing and compression platform, following the topside removal in 2022. In parallel, the Hod A decommissioning project progressed as planned, with both the jacket and topside successfully removed from the field.

The Valhall PWP project progressed as planned during the second quarter. Fabrication and construction activities advancing on schedule and offshore modification work is ongoing at the Valhall facilities. During the shutdown of Valhall in June, the PWP jacket and connecting bridge were successfully installed at the field. One subsea spool installation campaign was completed, with preparations underway for the next campaign in the third quarter.

Preparations are ongoing for production drilling at Valhall PWP, scheduled to begin in summer 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 second quarter 2025, production from the Nova field averaged 2.6 thousand barrels of oil equivalents per day, net to Pandion Energy. Production efficiency was 97 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 Q2 2025 was 0.4 thousand barrels of oil equivalent per day net to Pandion Energy.

The water injection system at Nova has reached optimal rates and stabilised the production. Reservoir complexity remains a key challenge at Nova, and the operator is proactively managing the reservoir based on new production data incl. watercut rates.



Operational review

Exploration and evaluation activities

During the quarter, the second appraisal well on the Slagugle oil discovery (PL 891) was drilled. The objective of the well was to delineate the oil discovery proven in the wildcat well 6507/5-10 S and conduct a formation test to obtain better understanding of reservoir properties and connectivity in the hydrocarbon-bearing layers. Preliminary assessments indicate that the discovery is within the pre-drill resource estimates. 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.

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.

In July 2025, Pandion Energy entered into an agreement to sell its participating interests in the Valhall and Hod fields, as well as the Slagugle and Mistral discoveries. The transaction marks an important milestone in Pandion Energy's active portfolio management strategy. For further details, refer to Note 15 – Subsequent Events.



Responsibility statement

We confirm, to the best of our knowledge, that the interim financial statements for the period from 1 January to 30 June 2025 have been prepared in accordance with simplified IFRS pursuant to the Norwegian Accounting Act §3-9 and generally accepted accounting practice in Norway and give a true and fair view of the assets, liabilities and financial position and result of Pandion Energy AS. The notes are an integral part of the interim financial statements.

We also confirm, to the best of our knowledge, that the operational and financial review includes a fair presentation of important events that have occurred during the first six months of the financial year and their impact on the financial statements and the company's position, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Oslo, Norway, 15 August 2025

The Board of Directors and CEO of Pandion Energy AS

Alan John Parsley
Chairman of the Board

Jason Aun Minn Cheng
Board Member

Jan Christian Ellefsen
CEO/ Board Member

Roberta Wong
Board Member

Hege Peters
Board Member





Statement of income

QUARTERLY				YEAR TO DATE		FULL YEAR
Q2 2025	Q2 2024	(USD`000)	Note	2025	2024	2024
59 883	58 729	Revenues		105 030	113 213	222 963
45	(406)	Other income		(173)	(97)	818
59 928	58 323	Total revenues and income	1	104 857	113 116	223 511
(25 815)	(7 528)	Operating expenses	2	(33 843)	(15 371)	(36 151)
(15 839)	(29,277)	Depreciation, amortisation and net impairment losses	3,4,5	(36 378)	(46,170)	(87 492)
(805)	(43)	Exploration expenses	2	(16 605)	(1 269)	(8 210)
(42 459)	(36,848)	Total expenses		(86 825)	(62,810)	(131 853)
17 469	21,475	Profit from operating activities		18 032	50,305	91 658
197	271	Interest income		375	446	1 101
(2 992)	(6 346)	Interest expenses		(5 851)	(9 905)	(16 631)
(1 176)	(1 492)	Other financial income/ (expenses)		(842)	(3 730)	(9 640)
(3 971)	(7 567)	Net financial items	6	(6 318)	(13 189)	(25 170)
13 497	13,908	Profit before income tax		11 714	37,116	66 489
(7 750)	(18,846)	Income tax	7	454	(47,479)	(74 638)
5 747	(4,938)	Net income (loss)		12 169	(10,362)	(8 149)



Statement of financial position

Assets

(USD`000)	Note	30.06.2025	31.12.2024
Tax receivable		20 334	-
Goodwill	4,5	26 638	26 638
Intangible assets	4,5	126 455	97 133
Property, plant and equipment	3,5	605 811	599 006
Prepayments and financial receivables		1	1
Right-of-use assets		1 008	1 081
Total non-current assets		780 246	723 858
Inventories	8	14 963	18 078
Trade and other receivables	9	44 689	58 331
Financial assets at fair value through profit or loss		1 677	-
Cash and cash equivalents		27 483	21 262
Total current assets		88 811	97 670
Total assets		869 058	821 528



Statement of financial position

Equity and liabilities

(USD`000)	Note	30.06.2025	31.12.2024
Share capital		13 591	13 591
Other paid-in capital		100 640	100 640
Other equity		(4 743)	(16 912)
Total equity	10	109 487	97 318
Deferred tax liability		355 311	335 144
Asset retirement obligations	11	202 238	200 114
Borrowings	12	-	75 586
Long term lease debt		757	797
Total non-current liabilities		558 307	611 642
Asset retirement obligations – short term	11	6 572	7 563
Trade, other payables and provisions	13	55 247	52 607
Borrowings – short term	12	114 416	16 941
Tax Payable		24 517	33 395
Financial liabilities at fair value through profit or loss		291	1 933
Short term lease debt		221	130
Total current liabilities		201 264	112 569
Total liabilities		759 570	724 210
Total equity and liabilities		869 058	821 528



Statement of cash flows

(USD`000)	Note	YEAR TO DATE		FULL YEAR
		Q2 2025	Q2 2024	2024
Income before tax		11 714	37,116	66 489
Depreciation, amortisation and net impairment losses	3	36 378	46,170	87 492
Expensed capitalised exploration expenses	4	14 123	88	3 870
Accretion of asset removal liability	6,11	4 578	4 286	8 644
(Increase) decrease in value of operational financial asset		(91)	109	(66)
Net financial expenses		1 739	8 903	16 526
Interest and fees paid		(5 731)	(6 048)	(16 146)
(Increase) decrease in working capital		23 710	(20 335)	(23 904)
Net income tax received/(paid)		(11 212)	(9 060)	(19 305)
Net cash flow from operating activities		75 209	61 230	123 599
Payment for removal and decommissioning of oil fields	11	(3 445)	(14 314)	(20 836)
Investments in oil and gas assets	3	(43 213)	(48 215)	(81 657)
Investments in exploration and evaluation assets	4	(43 883)	(5 807)	(15 772)
Cash flow from divestments		53	-	-
Net cash flow from investing activities		(90 488)	(68 335)	(118 265)
Proceeds from borrowings		21 500	13 000	18 000
Repayments of borrowings		-	(15 000)	(32 500)
Net cash flow from financing activities		21 500	(2 000)	(14 500)
Net change in cash and cash equivalents		6 221	(9 105)	(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		27 483	21 322	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		YEAR TO DATE		FULL YEAR
Revenues	Q2 2025	Q2 2024	2025	2024	2024
(USD`000)					
Oil	50 482	54 985	75 325	106 365	196 399
Gas	7 403	3 585	19 852	6 661	23 747
NGL	1 997	158	9 853	187	2 547
Total revenues	59 883	58 729	105 030	113 213	222 693
Other income	Q2 2025	Q2 2024	2025	2024	2024
(USD`000)					
Realised gain/(loss) on oil derivates	(133)	(241)	(265)	(348)	(646)
Unrealised gain/(loss) on oil derivates	177	149	91	(114)	(19)
Other*	-	(314)	1	365	1 482
Total other income	45	(406)	(173)	(97)	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		YEAR TO DATE		FULL YEAR
	Q2 2025	Q2 2024	2025	2024	2024
Operating Expenses					
(USD`000)					
Production costs	8 759	7 924	17 150	14 636	30 997
Tariff and transportation costs	2 644	2 205	5 400	3 890	9 326
Other costs	901	(504)	1 929	1 123	3 919
Operating expenses based on produced volumes	12 303	9 625	24 480	19 649	44 242
Adjustment for over/underlift (-)	12 799	(1 309)	7 557	(2 731)	(6 037)
Change in value of deferral settlements	713	(788)	1 806	(1 547)	(2 055)
Operating expenses based on sold volumes	25 815	7 528	33 843	15 371	36 151
Total produced volumes (boe '000)	550	743	1 242	1 496	2 908
Production costs per boe produced (USD/boe)	16	11	14	10	11
Operating expenses per boe produced (USD/boe)	22	13	20	13	15
Exploration expenses					
(USD`000)					
Expensed costs, seismic and studies	5	140	5	140	290
Expensed costs, general and administrative	1 080	(130)	2 477	1 041	4 050
Expensed exploration expenditures previously capitalised	(280)	33	14 123	88	3 870
Total exploration expenses	805	43	16 605	1 269	8 210



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	43 213	-	43 213
Cost at 30 June 2025	922 079	453	922 532
Accumulated depreciation and impairments 1 January 2025	(279 932)	(380)	(280 313)
Depreciation	(36 378)	(30)	(36 408)
Accumulated depreciation and impairments 30 June 2025	(316 310)	(411)	(316 721)
Carrying amount at 30 June 2025	605 769	42	605 811
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	-	43 498	43 498
Disposals	-	(53)	(53)
Cost at 30 June 2025	124 785	198 210	322 995
Accumulated depreciation and impairments at 1 January 2025	(98 147)	(57 633)	(155 779)
Expensed exploration expenditures previously capitalised	-	(14 123)	(14 123)
Accumulated depreciation and impairments at 30 June 2025	(98 147)	(71 755)	(169 902)
Carrying amount at 30 June 2025	26 638	126 455	153 093



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 Q2 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 30 June 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 30 June 2025.

	2025	2026	2027	2028	2029	2030
Brent oil price, USD/boe, in real 2025 terms	70	65	66	70	68	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 Q2 2025.



Note 6

Financial items

	QUARTERLY		YEAR TO DATE		FULL YEAR
(USD`000)	Q2 2025	Q2 2024	2025	2024	2024
Interest income	197	271	375	446	1 101
Total interest income	197	271	375	446	1 101
Interest expenses	(2 909)	(6 753)	(5 733)	(9 867)	(16 193)
Interest on lease debt	(23)	(27)	(46)	(187)	(240)
Capitalised interest cost, development projects	166	76	317	28	247
Amortised loan costs	(226)	358	(389)	122	(446)
Total interest expenses	(2 992)	(6 346)	(5 851)	(9 905)	(16 631)
Net foreign exchange losses	(957)	27	(3 173)	1 413	1 299
Foreign exchange gains/losses on derivative financial instruments	2 119	638	6 510	(793)	(2 302)
Accretion expenses	(2 289)	(2 141)	(4 578)	(4 286)	(8 644)
Other financial expenses	(49)	(15)	400	(64)	7
Total other financial expenses	(1 176)	(1 492)	(842)	(3 730)	(9 640)
Net financial items	(3 971)	(7 567)	(6 318)	(13 189)	(25 170)



Note 7

Taxes

	QUARTERLY		YEAR TO DATE		FULL YEAR
(USD`000)	Q2 2025	Q2 2024	2025	2024	2024
Profit before tax	13 497	13 908	11 714	37 116	66 489
Income tax	(7 750)	(18 846)	454	(47 479)	(74 638)
Effective tax rate	57%	136%	(4%)	128%	112%

The deviation from the statutory tax rate of 78% in Q2 2025 is primarily due to financial items subject to a lower tax rate and currency movements of the tax balances due to fluctuations in the exchange rate between NOK and USD.



Note 8

Inventories

(USD`000)	30.06.2025	31.12.2024
Inventories – measured at cost	15 615	11 432
Provision for obsolete equipment	(1 387)	(1 387)
Underlift of petroleum products	735	8 033
Inventories	14 963	18 078

Note 9

Trade and other receivables

(USD`000)	30.06.2025	31.12.2024
Trade receivables	5 701	22 163
Accrued income from sale of petroleum products	2 270	7 966
Value deferral settlements	4 712	6 518
Other receivables, mainly balances with licence operators	32 006	21 684
Trade and other receivables	44 689	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	-	-	12 169	12 169
Shareholders' equity at 30 June 2025	13 591	100 640	(4 743)	109 487

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 30 June 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	(3 445)
Accretion expenses	4 578
Asset retirement obligations at 30 June 2025	208 811
Non-current portion at 30 June 2025	202 238
Current portion at 30 June 2025	6 572

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

(USD'000)	Facility currency	Utilised amount	Interest	Maturity	Carrying amount
30 June 2025	USD	75 000	9.75%	June 2026	74 810
31 December 2024	USD	75 000	9.75%	June 2026	74 586

At end of Q2 2025, the senior unsecured bond of USD 75 million is classified as current liabilities due to its final maturity date being defined as 3 June 2026. In July 2025, Pandion Energy has entered into an agreement to sell its participating interests in three assets comprising seven production licenses on the Norwegian Continental Shelf. The transaction will, subject to completion, represent a mandatory prepayment event under Pandion Energy's outstanding bond. Consequently, Pandion intends to redeem the Bond Issue in full, subject to and at or following closing, in accordance with the bond terms of the Bond Issue. Refer to note 15 – subsequent event for further information.

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
30 June 2025	USD	40 000	160 000	SOFR + 3.5%	April 2029	38 605
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 Q2 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. In July 2025, Pandion Energy has entered into an agreement to sell its participating interests in three assets comprising seven production licenses on the Norwegian Continental Shelf. Subject to completion of the asset transaction, we anticipate to prepay and cancel the RBL Facility in full in connection with the completion of the asset transaction.

* Calculated out of facility size of USD 200 million, from 1 August 2025 the facility size is reduced to USD 92.8 million. Credit approved borrowing base as of 30 June 2025 is USD 92.8 million.



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)	30.06.2025	31.12.2024
Less than 12 months	115 000	18 500
1 to 5 years	304	76 000
Total	115 304	94 500



Note 13

Trade, other payables and provisions

(USD`000)	30.06.2025	31.12.2024
Trade payables	1 356	945
Share of payables in licences	41 375	36 767
Overlift of petroleum	3 529	3 271
Other non-trade payables, accrued expenses and provisions*	8 987	11 624
Trade, other payables and provisions	55 247	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 7 million. No provision has been made for the potential obligation.



Note 15

Subsequent events

In July 2025, Pandion Energy has entered into an agreement to sell its participating interests in three assets comprising seven production licenses on the Norwegian Continental Shelf (NCS) to INPEX Idemitsu Norge AS.

The transaction includes Pandion Energy's:

- 10% participating interest in the producing Valhall and Hod fields (PL006B, PL006G, PL033 and PL033B);
- 20% participating interest in the Slagugle discovery (PI 891 and PL 891B); and
- 20% participating interest in the Mistral discovery (PL1119).

The transaction will, subject to completion, represent a mandatory prepayment event under Pandion Energy's outstanding bond. Consequently, Pandion intends to redeem the Bond Issue in full, subject to and at or following closing, in accordance with the bond terms of the Bond Issue. Subject to completion of the asset transaction the company also anticipate to prepay and cancel the RBL Facility in full.

The transaction enables the company to realise a significant portion of the total value of its assets. Booked value pre-tax of the above assets are USD 500.6 million related to property, plant and equipment, USD 70.5 million related to intangible assets and USD 26.6 million related to goodwill. USD 196.5 million of the booked asset retirement obligation is linked to the above assets.

The transaction is subject to customary conditions for completion, including approval by the Norwegian Ministry of Energy.



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