

Ping Petroleum UK PLC
Financial Reports

Statement of Profit and Loss (Unaudited)	3 months Sep 2021 USD '000	3 months Dec 2021 USD '000	3 months Mar 2022 USD '000	3 months Jun 2022 USD '000	12 months Jun 2022 USD '000	Notes
Revenue	16,092	16,803	21,672	23,358	77,925	
Field operating expenses	(6,633)	(5,018)	(3,990)	(3,914)	(19,554)	
Marketing and transportation costs	(371)	(300)	(368)	(286)	(1,325)	
Movement in crude oil inventory	2,257	1,596	166	(1,315)	2,704	
Depletion, depreciation and amortisation	(3,750)	(2,959)	(2,867)	(2,726)	(12,301)	(iii)
Cost of sales	(8,496)	(6,681)	(7,059)	(8,242)	(30,477)	
Gross profit/(loss)	7,597	10,122	14,613	15,116	47,448	
Other income	-	42	12	45	98	
General and administrative expenses	(946)	(1,162)	(989)	(1,332)	(4,429)	
Finance costs	(2,638)	(2,607)	(2,582)	(2,536)	(10,363)	(ii)
Foreign exchange	183	(1,535)	398	(3,848)	(4,801)	(iv)
Profit/(loss) before taxation	4,196	4,860	11,452	7,446	27,953	(i)
Taxation	752	752	(6,504)	(7,083)	(12,083)	
Profit/(loss) after taxation	4,948	5,612	4,948	363	15,871	

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Statement of Financial Position (Unaudited)	3 months Sep 2021 USD '000	3 months Dec 2021 USD '000	3 months Mar 2022 USD '000	3 months Jun 2022 USD '000	12 months Jun 2022 USD '000	Notes
Non-current assets						
Intangible assets	173,738	173,281	173,013	173,325	173,325	
Property, plant and equipment	122,027	122,344	122,802	131,947	131,947	
Investments	-	-	-	-	-	
Restricted cash and cash equivalents	73,208	76,065	70,117	59,170	59,170	
	368,973	371,689	365,932	364,441	364,441	
Current assets						
Trade and other receivables	11,972	10,877	22,758	22,736	22,736	
Inventories	2,257	3,853	4,019	2,704	2,704	
Cash and cash equivalents	6,152	10,028	19,554	18,528	18,528	(v)
Intercompany receivables/(payables)	(18,288)	(16,412)	(22,366)	(17,482)	(17,482)	
	2,093	8,347	23,966	26,486	26,486	
Total assets	371,066	380,036	389,898	390,927	390,927	
Current liabilities						
Trade and other payables	(5,176)	(7,799)	(8,015)	(11,008)	(11,008)	
Current tax liabilities	(6,122)	(6,122)	(11,122)	(12,513)	(12,513)	
	(11,298)	(13,922)	(19,138)	(23,521)	(23,521)	
Non-current liabilities						
Other long-term obligations and provisions	(4,363)	(4,363)	(4,363)	(1,662)	(1,662)	
Borrowings	(47,610)	(47,823)	(48,041)	(48,258)	(48,258)	
Deferred tax liabilities	(75,028)	(74,276)	(75,780)	(81,472)	(81,472)	
Provision for decommissioning costs	(103,684)	(104,957)	(102,866)	(95,941)	(95,941)	
	(230,685)	(231,419)	(231,050)	(227,333)	(227,333)	
Net assets	129,082	134,695	139,710	140,073	140,073	
Equity						
Share capital	-	-	67	67	67	
Retained earnings	129,082	134,695	139,643	140,006	140,006	
	129,082	134,695	139,710	140,073	140,073	

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Statement of Cash Flows (Unaudited)	3 months Sep 2021 USD '000	3 months Dec 2021 USD '000	3 months Mar 2022 USD '000	3 months Jun 2022 USD '000	12 months Jun 2022 USD '000	Notes
Cash flows from operating activities						
Profit/(loss) before taxation	4,196	4,860	11,452	7,446	27,953	
<u>Adjustment for:</u>						
Depreciation, depletion and amortisation	3,750	2,959	2,867	2,726	12,301	
Finance costs	2,638	2,607	2,582	2,536	10,363	
Interest income	-	(35)	(12)	(41)	(87)	
Operating profit/(loss) before changes in working capital	10,584	10,392	16,889	12,667	50,531	
<u>Movements in working capital:</u>						
Inventory movement	(172)	(1,596)	(166)	1,315	(619)	
Receivables movement	(11,148)	1,095	(11,881)	23	(21,912)	
Payables movement	129	2,624	216	291	3,259	
Cash generated from/(used in) operating activities	(608)	12,514	5,057	14,296	31,259	
Tax (paid)/received	(274)	-	-	-	(274)	
Net cash generated from/(used in) operating activities	(882)	12,514	5,057	14,296	30,985	
Cash flows from investing activities						
Expenditure on assets	(2,179)	(2,228)	(6,004)	(19,919)	(30,330)	
Additions to restricted cash	(1,650)	(1,249)	(6,722)	(743)	(10,365)	
Acquisitions	(4,808)	(192)	-	-	(5,000)	
Net cash generated from/(used in) investing activities	(8,637)	(3,669)	(12,726)	(20,662)	(45,694)	
Cash flows from financing activities						
Interest paid	(1,500)	(1,500)	(1,500)	(1,500)	(6,000)	
Advances from/(repayments) to group companies	10,751	(1,876)	5,954	(4,884)	9,945	
Proceeds from/(repayment of) secured bond	6,382	18	10,051	10,322	26,772	
Net cash generated from/(used in) financing activities	15,633	(3,359)	14,505	3,938	30,717	
Net increase/(decrease) in cash and cash equivalents	6,114	5,486	6,837	(2,429)	16,008	
Effect of foreign exchange movement	(367)	(1,610)	2,689	1,403	2,115	
Cash and cash equivalents at the beginning of the period	405	6,152	10,028	19,554	405	
Cash and cash equivalents at the end of the period	6,152	10,028	19,554	18,528	18,528	(v)

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Leverage ratio calculation (Unaudited)	12 months Jun 2022 USD '000	Notes
Profit/(loss) before taxation	27,953	(i)
<u>Adjustment for:</u>		
Interest and fees in connection with the issue of bonds	6,925	(ii)
Unwinding of discount on ARO provision	3,438	(ii)
Depreciation, depletion and amortisation	12,301	(iii)
Gain/(loss) on foreign exchange	4,801	(iv)
Adjusted EBITDA	55,419	(a)
Total issued bond	50,000	
Subordinated loan (PPL to PPUK)	5,582	
Cook WI SLB payable	3,204	
Total gross debt	58,786	
<u>Less:</u>		
Cash and cash equivalents	(18,528)	(v)
Cash balance in Escrow account	(20,328)	
Total net debt	19,929	(b)
Leverage ratio	0.36	(b)/(a)