

Ping Petroleum UK PLC

Financial Reports

Statement of Profit and Loss (Unaudited)	3 months Dec 2022 USD '000	3 months Mar 2023 USD '000	3 months Jun 2023 USD '000	3 months Sep 2023 USD '000	12 months Sep 2023 USD '000	Notes
Revenue	21,534	19,390	16,377	20,031	77,333	
Field operating expenses	(4,446)	(4,961)	(4,388)	(4,322)	(18,116)	
Marketing and transportation costs	(372)	(496)	(407)	(298)	(1,575)	
Movement in crude oil inventory	5,051	898	422	(699)	5,671	
Depletion, depreciation and amortisation	(4,569)	(3,107)	(4,015)	(3,610)	(15,302)	
Cost of sales	(4,337)	(7,666)	(8,389)	(8,930)	(29,321)	
Gross profit/(loss)	17,197	11,724	7,989	11,101	48,012	
Other income	596	885	1,077	352	2,910	
General and administrative expenses	(1,474)	(1,641)	(2,168)	(1,319)	(6,602)	
Finance costs	(2,548)	(2,540)	(2,584)	(2,647)	(10,319)	
Foreign exchange	3,098	987	427	(1,561)	2,951	
Profit/(loss) before taxation	16,871	9,415	4,741	5,926	36,952	
Taxation	(8,048)	(59,349)	10,726	(1,779)	(58,449)	
Profit/(loss) after taxation	8,823	(49,934)	15,467	4,147	(21,497)	

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Statement of Financial Position (Unaudited)	3 months Dec 2022 USD '000	3 months Mar 2023 USD '000	3 months Jun 2023 USD '000	3 months Sep 2023 USD '000	12 months Sep 2023 USD '000	Notes
Non-current assets						
Intangible assets	179,812	186,238	194,627	195,864	195,864	
Property, plant and equipment	134,541	134,934	137,515	136,893	136,893	
Right-of-use assets	-	-	237	231	231	
Restricted cash and cash equivalents	61,659	66,302	71,110	55,705	55,705	
	376,012	387,474	403,489	388,693	388,693	
Current assets						
Trade and other receivables	19,906	17,686	16,995	21,272	21,272	
Inventories	4,131	5,029	5,451	4,751	4,751	
Cash and cash equivalents	16,809	20,887	13,148	25,341	25,341	
Intercompany receivables/(payables)	(11,879)	(12,734)	(17,014)	(20,597)	(20,597)	
	28,968	30,868	18,579	30,768	30,768	
Total assets	404,979	418,342	422,069	419,461	419,461	
Current liabilities						
Trade and other payables	(5,911)	(6,584)	(9,157)	(3,320)	(3,320)	
Lease liabilities	-	-	(57)	(57)	(57)	
Current tax liabilities	(12,524)	(14,957)	(6,209)	(7,622)	(7,622)	
	(18,435)	(21,541)	(15,423)	(10,999)	(10,999)	
Non-current liabilities						
Lease liabilities	-	-	(138)	(140)	(140)	
Other long-term obligations and provisions	(1,662)	(1,662)	(616)	(616)	(616)	
Borrowings	(48,694)	(48,911)	(49,129)	(49,347)	(49,347)	
Deferred tax liabilities	(86,062)	(142,979)	(134,804)	(135,169)	(135,169)	
Provision for decommissioning costs	(97,112)	(100,168)	(103,411)	(100,494)	(100,494)	
	(233,529)	(293,720)	(288,098)	(285,766)	(285,766)	
Net assets	153,015	103,081	118,548	122,695	122,695	
Equity						
Share capital	67	67	67	67	67	
Retained earnings	152,948	103,014	118,481	122,628	122,628	
	153,015	103,081	118,548	122,695	122,695	

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Statement of Cash Flows (Unaudited)	3 months Dec 2022 USD '000	3 months Mar 2023 USD '000	3 months Jun 2023 USD '000	3 months Sep 2023 USD '000	12 months Sep 2023 USD '000
Cash flows from operating activities					
Profit/(loss) before taxation	16,871	9,415	4,741	5,926	36,952
<u>Adjustment for:</u>					
Depreciation, depletion and amortisation	4,569	3,107	4,015	3,610	15,302
Finance costs	2,548	2,540	2,584	2,647	10,319
Interest income	(397)	(624)	(917)	(258)	(2,196)
Operating profit/(loss) before changes in working capital	23,591	14,437	10,423	11,925	60,376
<u>Movements in working capital:</u>					
Inventory movement	(5,051)	(898)	(422)	699	(5,671)
Receivables movement	(4,537)	2,220	691	(4,277)	(5,903)
Payables movement	1,127	673	1,528	(5,837)	(2,509)
Cash generated from/(used in) operating activities	15,130	16,433	12,220	2,510	46,293
Tax (paid)/received	(6,134)	-	(6,634)	-	(12,768)
Net cash generated from/(used in) operating activities	8,996	16,433	5,585	2,510	33,525
Cash flows from investing activities					
Expenditure on assets	(6,601)	(7,684)	(12,593)	(7,861)	(34,739)
Additions to restricted cash	(950)	(4,543)	(1,356)	(1,273)	(8,121)
Acquisitions	-	-	-	(150)	(150)
Net cash generated from/(used in) investing activities	(7,551)	(12,228)	(13,949)	(9,283)	(43,011)
Cash flows from financing activities					
Interest paid	(1,500)	(1,500)	(1,500)	(1,500)	(6,000)
Advances from/(repayments) to subsidiaries	(1,339)	855	4,281	3,583	7,380
Proceeds from/(repayment of) secured bond	-	-	-	13,626	13,626
Net cash generated from/(used in) financing activities	(2,838)	(645)	2,781	15,709	15,006
Net increase/(decrease) in cash and cash equivalents	(1,393)	3,561	(5,583)	8,935	5,520
Effect of foreign exchange movement	(4,481)	517	(2,155)	3,258	(2,861)
Cash and cash equivalents at the beginning of the period	22,683	16,809	20,886	13,148	22,683
Cash and cash equivalents at the end of the period	16,809	20,886	13,148	25,342	25,342

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Leverage ratio calculation (Unaudited)	12 months Sep 2023 USD '000	Notes
Profit/(loss) before taxation	36,952	(i)
<u>Adjustment for:</u>		
Interest and fees in connection with the issue of bonds	6,943	(ii)
Unwinding of discount on ARO provision	3,335	(ii)
Lease interest expense	40	(ii)
Depreciation, depletion and amortisation	15,302	(iii)
Gain/(loss) on foreign exchange	(2,951)	(iv)
Adjusted EBITDA	59,621	(a)
Total issued bond	50,000	
Subordinated loan (PPL to PPUK)	6,124	
Cook WI SLB payable	-	
Total gross debt	56,124	
<u>Less:</u>		
Cash and cash equivalents	(25,341)	(v)
Cash balance in Escrow account	(7,652)	
Total net debt	23,130	(b)
Leverage ratio	0.39	(b)/(a)