

**Ping Petroleum UK PLC**  
**Financial Reports**

<b>Statement of Profit and Loss</b> (Unaudited)	<b>Month</b> <b>Oct 2022</b> <b>USD '000</b>	<b>Month</b> <b>Nov 2022</b> <b>USD '000</b>	<b>Month</b> <b>Dec 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Dec 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2023</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>12 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>Notes</b>
<b>Revenue</b>	<b>2,174</b>	<b>1,978</b>	<b>17,382</b>	<b>19,712</b>	<b>21,534</b>	<b>19,390</b>	<b>16,377</b>	<b>77,014</b>	
Field operating expenses	(30)	(53)	(4,363)	(4,096)	(4,446)	(4,961)	(4,388)	(17,890)	
Marketing and transportation costs	-	-	(372)	(367)	(372)	(496)	(407)	(1,643)	
Movement in crude oil inventory	7,004	7,441	(9,393)	(3,623)	5,051	898	422	2,747	
Depletion, depreciation and amortisation	(1,431)	(1,612)	(1,526)	(2,053)	(4,569)	(3,107)	(4,015)	(13,745)	(iii)
<b>Cost of sales</b>	<b>5,543</b>	<b>5,775</b>	<b>(15,655)</b>	<b>(10,140)</b>	<b>(4,337)</b>	<b>(7,666)</b>	<b>(8,389)</b>	<b>(30,531)</b>	
<b>Gross profit/(loss)</b>	<b>7,717</b>	<b>7,754</b>	<b>1,727</b>	<b>9,572</b>	<b>17,197</b>	<b>11,724</b>	<b>7,989</b>	<b>46,483</b>	
Other income	-	1	595	251	596	885	1,077	2,809	
General and administrative expenses	(448)	(341)	(685)	(1,061)	(1,474)	(1,641)	(2,168)	(6,344)	
Finance costs	(834)	(836)	(878)	(2,532)	(2,548)	(2,540)	(2,584)	(10,204)	(ii)
Foreign exchange	1,285	1,296	517	760	3,098	987	427	5,272	(iv)
<b>Profit/(loss) before taxation</b>	<b>7,720</b>	<b>7,874</b>	<b>1,277</b>	<b>6,990</b>	<b>16,871</b>	<b>9,415</b>	<b>4,741</b>	<b>38,016</b>	(i)
Taxation	(2,274)	(2,274)	(3,500)	(2,870)	(8,048)	(59,349)	10,726	(59,541)	
<b>Profit/(loss) after taxation</b>	<b>5,446</b>	<b>5,600</b>	<b>(2,223)</b>	<b>4,120</b>	<b>8,823</b>	<b>(49,934)</b>	<b>15,467</b>	<b>(21,525)</b>	

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<b>Statement of Financial Position</b> (Unaudited)	<b>Month</b> <b>Oct 2022</b> <b>USD '000</b>	<b>Month</b> <b>Nov 2022</b> <b>USD '000</b>	<b>Month</b> <b>Dec 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Dec 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2023</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>12 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>Notes</b>
<b>Non-current assets</b>									
Intangible assets	175,300	178,614	179,812	174,969	179,812	186,238	194,627	194,627	
Property, plant and equipment	132,338	135,083	134,541	129,726	134,541	134,934	137,515	137,515	
Right-of-use assets	-	-	-	-	-	-	237	237	
Restricted cash and cash equivalents	58,526	60,471	61,659	55,862	61,659	66,302	71,110	71,110	
	<b>366,164</b>	<b>374,169</b>	<b>376,012</b>	<b>360,556</b>	<b>376,012</b>	<b>387,474</b>	<b>403,489</b>	<b>403,489</b>	
<b>Current assets</b>									
Trade and other receivables	5,332	4,979	19,906	15,369	19,906	17,686	16,995	16,995	
Inventories	6,084	13,524	4,131	(920)	4,131	5,029	5,451	5,451	
Deferred operating expenses	1,238	2,398	-	-	-	-	-	-	
Cash and cash equivalents	27,926	28,760	16,809	22,683	16,809	20,887	13,148	13,148	(v)
Intercompany receivables/(payables)	(11,044)	(12,715)	(11,879)	(13,217)	(11,879)	(12,734)	(17,014)	(17,014)	
	<b>29,535</b>	<b>36,947</b>	<b>28,968</b>	<b>23,916</b>	<b>28,968</b>	<b>30,868</b>	<b>18,579</b>	<b>18,579</b>	
<b>Total assets</b>	<b>395,699</b>	<b>411,115</b>	<b>404,979</b>	<b>384,472</b>	<b>404,979</b>	<b>418,342</b>	<b>422,069</b>	<b>422,069</b>	
<b>Current liabilities</b>									
Trade and other payables	(4,788)	(8,304)	(5,911)	(4,784)	(5,911)	(6,584)	(9,157)	(9,157)	
Lease liabilities	-	-	-	-	-	-	(57)	(57)	
Current tax liabilities	(13,547)	(14,547)	(12,524)	(12,547)	(12,524)	(14,957)	(6,209)	(6,209)	
	<b>(18,334)</b>	<b>(22,851)</b>	<b>(18,435)</b>	<b>(17,331)</b>	<b>(18,435)</b>	<b>(21,541)</b>	<b>(15,423)</b>	<b>(15,423)</b>	
<b>Non-current liabilities</b>									
Lease liabilities	-	-	-	-	-	-	(138)	(138)	
Other long-term obligations and provisions	(1,662)	(1,662)	(1,662)	(1,662)	(1,662)	(1,662)	(616)	(616)	
Borrowings	(48,549)	(48,621)	(48,694)	(48,476)	(48,694)	(48,911)	(49,129)	(49,129)	
Deferred tax liabilities	(85,400)	(86,674)	(86,062)	(84,126)	(86,062)	(142,979)	(134,804)	(134,804)	
Provision for decommissioning costs	(92,116)	(96,070)	(97,112)	(88,685)	(97,112)	(100,168)	(103,411)	(103,411)	
	<b>(227,726)</b>	<b>(233,027)</b>	<b>(233,529)</b>	<b>(222,948)</b>	<b>(233,529)</b>	<b>(293,720)</b>	<b>(288,098)</b>	<b>(288,098)</b>	
<b>Net assets</b>	<b>149,638</b>	<b>155,238</b>	<b>153,015</b>	<b>144,193</b>	<b>153,015</b>	<b>103,081</b>	<b>118,548</b>	<b>118,548</b>	
<b>Equity</b>									
Share capital	67	67	67	67	67	67	67	67	
Retained earnings	149,571	155,171	152,948	144,126	152,948	103,014	118,481	118,481	
	<b>149,638</b>	<b>155,238</b>	<b>153,015</b>	<b>144,193</b>	<b>153,015</b>	<b>103,081</b>	<b>118,548</b>	<b>118,548</b>	

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<b>Statement of Cash Flows</b> (Unaudited)	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Dec 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2023</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>12 months</b> <b>Jun 2023</b> <b>USD '000</b>	<b>Notes</b>
<b>Cash flows from operating activities</b>						
Profit/(loss) before taxation	6,990	16,871	9,415	4,741	38,016	
<u>Adjustment for:</u>						
Depreciation, depletion and amortisation	2,053	4,569	3,107	4,015	13,745	
Finance costs	2,532	2,548	2,540	2,584	10,204	
Interest income	(251)	(397)	(624)	(917)	(2,189)	
Operating profit/(loss) before changes in working capital	11,324	23,591	14,437	10,423	59,776	
<u>Movements in working capital:</u>						
Inventory movement	3,623	(5,051)	(898)	(422)	(2,747)	
Receivables movement	7,367	(4,537)	2,220	691	5,741	
Payables movement	(6,224)	1,127	673	1,528	(2,896)	
Cash generated from/(used in) operating activities	16,090	15,130	16,433	12,220	59,873	
Tax (paid)/received	-	(6,134)	-	(6,634)	(12,768)	
<b>Net cash generated from/(used in) operating activities</b>	<b>16,090</b>	<b>8,996</b>	<b>16,433</b>	<b>5,585</b>	<b>47,105</b>	
<b>Cash flows from investing activities</b>						
Expenditure on assets	(9,512)	(6,601)	(7,684)	(12,593)	(36,390)	
Additions to restricted cash	(1,046)	(950)	(4,543)	(1,356)	(7,895)	
<b>Net cash generated from/(used in) investing activities</b>	<b>(10,558)</b>	<b>(7,551)</b>	<b>(12,228)</b>	<b>(13,949)</b>	<b>(44,285)</b>	
<b>Cash flows from financing activities</b>						
Interest paid	(1,500)	(1,500)	(1,500)	(1,500)	(5,999)	
Advances from/(repayments) to group companies	(4,265)	(1,339)	855	4,281	(468)	
Proceeds from/(repayment of) secured bond		(	(	(	(1)	
<b>Net cash generated from/(used in) financing activities</b>	<b>(5,764)</b>	<b>(2,838)</b>	<b>(646)</b>	<b>2,781</b>	<b>(6,468)</b>	
Net increase/(decrease) in cash and cash equivalents	(232)	(1,393)	3,560	(5,583)	(3,648)	
Effect of foreign exchange movement	4,387	(4,481)	518	(2,594)	(2,170)	
Cash and cash equivalents at the beginning of the period	18,528	22,683	16,809	20,887	18,528	
<b>Cash and cash equivalents at the end of the period</b>	<b>22,683</b>	<b>16,809</b>	<b>20,887</b>	<b>12,710</b>	<b>12,710</b>	(v)

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<b>Leverage ratio calculation</b> (Unaudited)	<b>12 months Jun 2023 USD '000</b>	<b>Notes</b>
Profit/(loss) before taxation	38,016	(i)
<u>Adjustment for:</u>		
Interest and fees in connection with the issue of bonds	6,943	(ii)
Unwinding of discount on ARO provision	3,245	(ii)
Depreciation, depletion and amortisation	13,745	(iii)
Gain/(loss) on foreign exchange	(5,272)	(iv)
<b>Adjusted EBITDA</b>	<b>56,677</b>	<b>(a)</b>
Total issued bond	50,000	
Subordinated loan (PPL to PPUK)	6,177	
Cook WI SLB payable	1,471	
Total gross debt	57,648	
<u>Less:</u>		
Cash and cash equivalents	(13,148)	(v)
Cash balance in Escrow account	(21,078)	
<b>Total net debt</b>	<b>23,421</b>	<b>(b)</b>
<b>Leverage ratio</b>	<b>0.41</b>	<b>(b)/(a)</b>