

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

<b>Statement of Profit and Loss</b> (Unaudited)	<b>3 months</b> <b>Dec 2021</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>12 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>Notes</b>
<b>Revenue</b>	<b>16,803</b>	<b>21,672</b>	<b>23,358</b>	<b>19,712</b>	<b>81,545</b>	
Field operating expenses	(5,018)	(3,990)	(3,914)	(4,096)	(17,018)	
Marketing and transportation costs	(300)	(368)	(286)	(367)	(1,321)	
Movement in crude oil inventory	1,596	166	(1,315)	(3,623)	(3,177)	
Depletion, depreciation and amortisation	(2,959)	(2,867)	(2,726)	(2,053)	(10,605)	(iii)
<b>Cost of sales</b>	<b>(6,681)</b>	<b>(7,059)</b>	<b>(8,242)</b>	<b>(10,140)</b>	<b>(32,121)</b>	
<b>Gross profit/(loss)</b>	<b>10,122</b>	<b>14,613</b>	<b>15,116</b>	<b>9,572</b>	<b>49,424</b>	
Other income	42	12	45	251	349	
General and administrative expenses	(1,162)	(989)	(1,332)	(1,061)	(4,544)	
Finance costs	(2,607)	(2,582)	(2,536)	(2,532)	(10,257)	(ii)
Foreign exchange	(1,535)	398	(3,848)	760	(4,225)	(iv)
<b>Profit/(loss) before taxation</b>	<b>4,860</b>	<b>11,452</b>	<b>7,446</b>	<b>6,990</b>	<b>30,747</b>	(i)
Taxation	752	(6,504)	(7,083)	(2,870)	(15,705)	
<b>Profit/(loss) after taxation</b>	<b>5,612</b>	<b>4,948</b>	<b>363</b>	<b>4,120</b>	<b>15,043</b>	

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

<b>Statement of Financial Position</b> (Unaudited)	<b>3 months</b> <b>Dec 2021</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>12 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>Notes</b>
<b>Non-current assets</b>						
Intangible assets	173,281	173,013	173,325	174,969	174,969	
Property, plant and equipment	122,344	122,802	131,947	129,726	129,726	
Restricted cash and cash equivalents	76,065	70,117	59,170	55,862	55,862	
	<b>371,689</b>	<b>365,932</b>	<b>364,441</b>	<b>360,556</b>	<b>360,556</b>	
<b>Current assets</b>						
Trade and other receivables	10,877	22,758	22,736	15,369	15,369	
Inventories	3,853	4,019	2,704	(920)	(920)	
Cash and cash equivalents	10,028	19,554	18,528	22,683	22,683	(v)
Intercompany receivables/(payables)	(16,412)	(22,366)	(17,482)	(13,217)	(13,217)	
	<b>8,347</b>	<b>23,966</b>	<b>26,486</b>	<b>23,916</b>	<b>23,916</b>	
<b>Total assets</b>	<b>380,036</b>	<b>389,898</b>	<b>390,927</b>	<b>384,472</b>	<b>384,472</b>	
<b>Current liabilities</b>						
Trade and other payables	(7,799)	(8,015)	(11,008)	(4,784)	(4,784)	
Current tax liabilities	(6,122)	(11,122)	(12,513)	(12,547)	(12,547)	
	<b>(13,922)</b>	<b>(19,138)</b>	<b>(23,521)</b>	<b>(17,331)</b>	<b>(17,331)</b>	
<b>Non-current liabilities</b>						
Other long-term obligations and provisions	(4,363)	(4,363)	(1,662)	(1,662)	(1,662)	
Borrowings	(47,823)	(48,041)	(48,258)	(48,476)	(48,476)	
Deferred tax liabilities	(74,276)	(75,780)	(81,472)	(84,126)	(84,126)	
Provision for decommissioning costs	(104,957)	(102,866)	(95,941)	(88,685)	(88,685)	
	<b>(231,419)</b>	<b>(231,050)</b>	<b>(227,333)</b>	<b>(222,948)</b>	<b>(222,948)</b>	
<b>Net assets</b>	<b>134,695</b>	<b>139,710</b>	<b>140,073</b>	<b>144,193</b>	<b>144,193</b>	
<b>Equity</b>						
Share capital	-	67	67	67	67	
Retained earnings	134,695	139,643	140,006	144,126	144,126	
	<b>134,695</b>	<b>139,710</b>	<b>140,073</b>	<b>144,193</b>	<b>144,193</b>	

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

<b>Statement of Cash Flows</b> (Unaudited)	<b>3 months</b> <b>Dec 2021</b> <b>USD '000</b>	<b>3 months</b> <b>Mar 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Jun 2022</b> <b>USD '000</b>	<b>3 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>12 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>Notes</b>
<b>Cash flows from operating activities</b>						
Profit/(loss) before taxation	4,860	11,452	7,446	6,990	30,747	
<u>Adjustment for:</u>						
Depreciation, depletion and amortisation	2,959	2,867	2,726	2,053	10,605	
Finance costs	2,607	2,582	2,536	2,532	10,257	
Interest income	(35)	(12)	(41)	(251)	(338)	
Operating profit/(loss) before changes in working capital	10,392	16,889	12,667	11,324	51,271	
<u>Movements in working capital:</u>						
Inventory movement	(1,596)	(166)	1,315	3,623	3,177	
Receivables movement	1,095	(11,881)	23	7,367	(3,397)	
Payables movement	2,624	216	291	(6,224)	(3,093)	
Cash generated from/(used in) operating activities	12,514	5,057	14,296	16,090	47,958	
Tax (paid)/received	-	-	-	-	-	
<b>Net cash generated from/(used in) operating activities</b>	<b>12,514</b>	<b>5,057</b>	<b>14,296</b>	<b>16,090</b>	<b>47,958</b>	
<b>Cash flows from investing activities</b>						
Expenditure on assets	(2,228)	(6,004)	(19,919)	(9,512)	(37,663)	
Additions to restricted cash	(1,249)	(6,722)	(743)	(1,046)	(9,760)	
Acquisitions	(192)	-	-	-	(192)	
<b>Net cash generated from/(used in) investing activities</b>	<b>(3,669)</b>	<b>(12,726)</b>	<b>(20,662)</b>	<b>(10,558)</b>	<b>(47,616)</b>	
<b>Cash flows from financing activities</b>						
Interest paid	(1,500)	(1,500)	(1,500)	(1,500)	(6,000)	
Advances from/(repayments) to group companies	(1,876)	5,954	(4,884)	(4,265)	(5,071)	
Proceeds from/(repayment of) secured bond	18	10,051	10,322	(101)	20,290	
<b>Net cash generated from/(used in) financing activities</b>	<b>(3,359)</b>	<b>14,505</b>	<b>3,938</b>	<b>(5,865)</b>	<b>9,219</b>	
Net increase/(decrease) in cash and cash equivalents	5,486	6,837	(2,429)	(333)	9,561	
Effect of foreign exchange movement	(1,609)	2,689	1,403	4,488	6,971	
Cash and cash equivalents at the beginning of the period	6,151	10,029	19,555	18,529	6,151	
<b>Cash and cash equivalents at the end of the period</b>	<b>10,029</b>	<b>19,555</b>	<b>18,529</b>	<b>22,683</b>	<b>22,683</b>	(v)

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

<b>Leverage ratio calculation</b> (Unaudited)	<b>12 months</b> <b>Sep 2022</b> <b>USD '000</b>	<b>Notes</b>
Profit/(loss) before taxation	30,747	(i)
<u>Adjustment for:</u>		
Interest and fees in connection with the issue of bonds	6,926	(ii)
Unwinding of discount on ARO provision	3,330	(ii)
Depreciation, depletion and amortisation	10,605	(iii)
Gain/(loss) on foreign exchange	4,225	(iv)
<b>Adjusted EBITDA</b>	<b>55,834</b>	<b>(a)</b>
Total issued bond	50,000	
Subordinated loan (PPL to PPUK)	5,582	
Cook WI SLB payable	2,743	
Total gross debt	58,325	
<u>Less:</u>		
Cash and cash equivalents	(22,683)	(v)
Cash balance in Escrow account	(20,429)	
<b>Total net debt</b>	<b>15,212</b>	<b>(b)</b>
<b>Leverage ratio</b>	<b>0.27</b>	<b>(b)/(a)</b>