

QUARTERLY FINANCIAL REPORT Q1 2025

M VEST ENERGY AS

25/5/2025



MVESTENERGY

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1. EXECUTIVE SUMMARY

Highlights M Vest Energy

In the 1st quarter M Vest Energy had revenues of 227 MNOK from its licenses, Polarled (5%), Draugen (7,56%), Brage (4,4424%) and Ivar Aasen (0,8%).

EBITDA for the quarter was 152 MNOK.

No serious incidents occurred at any of our assets.

M Vest Energy has today notified Nordic Trustee AS that it will exercise the call option to redeem all outstanding bonds under its senior secured bond issue 2022/2025 (with ISIN NO0012770942).

The exercise of the call option is conditional upon certain conditions as set out in the call option notice being satisfied or waived no later than 6 June 2025.

Subject to satisfaction of the aforementioned conditions, the entire bond issue will be repaid at a price equal to 103.00% of the nominal amount for each redeemed bond plus accrued interest, with record date on 10 June 2025 and call option repayment date on 12 June 2025.

About M Vest Energy

M Vest Energy was founded in 2015. In December 2016, the new energy business was approved as a license holder on The Norwegian Continental Shelf (NCS).

In June 2020, the company acquired a 5% working interest in the Polarled gas pipeline, and in March 2022 the acquisition of working interests in Draugen (7,56%), Brage (4,4424%) and Ivar Aasen (0,8%) was completed.

The company's strategy is to optimize and develop the existing portfolio within the frameworks available. Further, the company is actively working to uncover new opportunities as a result of rapid changes in the sector. This includes investment in production and infrastructure opportunities. M Vest Energy aims at always being in the forefront of technology development, particularly the utilization of the digital arena.

The company shall conduct its business in a way that minimizes footprint on the climate and environment, and especially be in the forefront when it comes to reducing emissions to air and water. ESG is central in the day-to-day operations.

Financial review

Total income in the quarter amounted to MNOK 227.5, (244.3 in 2024). Operating profit for the period was MNOK 78.2 (76.8 MNOK in 2024). The total operating expenses amounted to MNOK 149.3 (167.5 MNOK in 2024).

Net financial items amounted to MNOK -23.4 (-25.3 MNOK in 2024).

Profit before income tax was MNOK 54.7 (51.5 in 2024). Tax expense amounted to MNOK 49,6 (53.4 in 2024).

Net profit was MNOK 5.1 (-1.9 in 2024).

Total assets at period-end amounted to MNOK 1 426.1 (1 349.2 in 2024). The main reason for the increase is investments on producing assets and development projects, partly offset by depreciations.

The interest-bearing debt was MNOK 393.3 at the end of the quarter, compared to 392.8 MNOK in 2024.

The company's cash flow from operating activities was MNOK 113.9 (94.9 in 2024). Cash flow from investing activities was NOK -71.5 (-56.0 in 2024).

Net cash flow from financing activities was MNOK -13.7 (-15.0 in 2024).

Cash and cash equivalents at the beginning of the period was MNOK 65.1 (69.0 in 2024). At balance sheet date, cash and cash equivalents amounted to MNOK 93.8 (92.9 in 2024), giving a net increase of MNOK 28.7 (23.9 in 2024.)

Operational review

Draugen (partner 7.56%)

Net production for the quarter was 1 615 boepd. Production efficiency was 87%.

Production volumes declined slightly following the shut-in of a well in mid-December due to scale build-up. A well intervention campaign was completed in late April, and the well is expected to return to production in the second quarter

Brage (partner 4.4424 %)

Net production for the quarter was 790 boepd. Production efficiency was 96%.

Production volumes saw a slight decrease due to natural decline. Exploration drilling at the Prince prospect was completed in April, with hydrocarbons encountered. Volume assessments are ongoing, with initial results indicating that recoverable volumes may be lower than pre-drill estimates. Drilling of a production well in Sognefjord East began in the second quarter.

Ivar Aasen (partner 0.8 %)

Net production for the quarter was 155 boepd. Production efficiency was 96%.

Ivar Aasen delivered stable production and high production efficiency. Maturation of the IOR 2026 campaign is ongoing

Polarled (partner 5%)

We have experienced steady throughput from the connected fields in the quarter, delivering tariff revenues in line with expectations.

Bestla (partner 4.4424 %)

Fabrication of the subsea template is complete, and installation is planned for the second quarter. The first deck installations are also set to begin in the second quarter. We're on track with preparations for drilling in the third quarter.

The Bestla field will be developed as a two-well tie-back to the Brage field and contains estimated gross recoverable reserves of 24 million boe, production start is expected in the first half of 2027. The plan for development and operation (PDO) was approved by the Ministry of Energy in November

Risks and uncertainty

As an oil and gas company operating on the Norwegian Continental Shelf, exploration results, reserve and resource estimates and estimates for capital and operating expenditures are associated with uncertainty. The production performance of oil and gas fields may be variable over time, and this also affects the tariff income from infrastructure assets. Oil and gas prices are volatile, currently at high levels, but there is risk of reduced prices in the future.

The company is exposed to various forms of financial risks, including, but not limited to, fluctuation in oil prices, exchange rates, interest rates and capital requirements; these are described in the company's annual report and accounts.

2. FINANCIAL REPORTS

INCOME STATEMENT (UNAUDITED)

Amounts in NOK '000		01.01.-31.03.	01.01.-31.03.
	Note	2025	2024
Revenues from crude oil and gas sales		205 612	220 744
Tariff revenues		21 821	23 506
Other income		35	4
TOTAL INCOME		227 469	244 253
Production expenses		52 826	58 916
Changes in over/under lift positions		6 144	9 179
Exploration expenses		3 411	11 600
Depreciations	2	74 073	74 784
Other operating expenses		12 849	12 989
Total operating expenses		149 303	167 469
Operating profit		78 166	76 784
Net financial items	4	(23 444)	(25 261)
Profit/loss before taxes		54 722	51 523
Tax expense (+)/income (-)	5	49 619	53 442
NET PROFIT/LOSS		5 103	(1 919)

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Amounts in NOK '000		01.01.-31.03.	01.01.-31.03.
	Note	2025	2024
ASSETS			
Intangible assets			
Other intangible assets	2	1 432	1 338
Tangible fixed assets			
Property, plant and equipment	2	1 187 330	1 115 998
Right-of-use assets	2,3	4 001	5 125
Financial investments		14 773	17 229
Total non-current assets		1 138 536	1 139 690
Receivables			
Trade and other receivables	6	120 648	78 207
Stock from joint operations		73 126	38 447
Cash and cash equivalents			
Cash and cash equivalents	12	93 829	92 851
Total current assets		287 603	209 505
TOTAL ASSETS		1 426 139	1 349 195

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Amounts in NOK '000		01.01.-31.03.	01.01.-31.03.
	Note	2025	2024
EQUITY AND LIABILITIES			
Equity			
Share capital	11	76	76
Share premium		98 137	98 137
Other equity		(169 263)	(177 176)
Total equity		(71 050)	(78 963)
Non-current liabilities			
Deferred tax	5	175 318	154 829
Asset retirement obligations	13	684 707	683 321
Long term bonds	9	-	387 548
Long-term lease debt	3,9	2 730	3 899
Total non-current liabilities		862 755	1 229 598
Current liabilities			
Trade, other payables and provisions	8	88 981	74 993
Short term bonds	9	389 175	-
Income tax payable	5	154 893	122 218
Financial instruments		-	-
Short-term lease debt	3,10	1 384	1 350
Total current liabilities		634 434	198 560
Total liabilities		1 497 189	1 428 158
TOTAL EQUITY AND LIABILITIES		1 426 139	1 349 195

STATEMENT OF CASH FLOW (UNAUDITED)

Amounts in NOK '000		01.01.-31.03.	01.01.-31.03.
	Note	2025	2024
Profit/loss before taxes		54 722	51 523
Depreciation	2	74 073	74 784
Income tax paid	5	(19 941)	(29 150)
Interest expenses	4	21 741	22 127
Changes in inventories, accounts payable and receivables		(16 716)	(24 344)
Net cash flow from operating activities		113 878	94 940
Disbursements on investments in fixed assets	2	(800)	-
Disbursements on investments in licenses	2	(70 214)	(47 195)
Payment for removal and decommissioning of oil fields	13	(498)	(3 128)
Cash used on (-)/received from financial investments		-	(5 706)
Net cash flow from investment activities		(71 512)	(56 029)
Interest paid	4	(13 319)	(14 711)
Payments on lease debt	3	(346)	(337)
Net cash flow from financing activities		(13 665)	(15 048)
Net change in cash and cash equivalents		28 701	23 862
Cash and cash equivalents at start of period		65 127	68 989
Cash and cash equivalents at end of period	12	93 829	92 851

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Amounts in NOK '000	Share capital	Share premium	Retained earnings	Total equity
Shareholders' equity at 1 January 2025	76	98 137	(174 367)	(76 154)
Net income for the period	-	-	5 103	5 103
Shareholders' equity at 31 March 2025	76	98 137	(169 263)	(71 050)
Shareholders' equity at 1 January 2024	76	98 137	(175 257)	(77 044)
Net income for the period	-	-	890	890
Shareholders' equity at 31 December 2024	76	98 137	(174 367)	(76 154)

3. NOTES TO THE INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements ("interim financial statements") have been prepared in accordance with Simplified International Financial Reporting Standards, IAS34 "Interim Financial Reporting", thus the interim statements do not include all information required by IFRS and should be read in conjunction with the annual financial statements for 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. These interim financial statements have not been subject to review or audit by independent auditors.

These interim financial statements were authorized for issue by the company's Board of Directors on 25 May 2025.

Note 1 Accounting principles

The accounting principles used for this interim report are consistent with the principles used in the company's 2024 annual financial statements.

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 expense. Actual results may differ from these estimates.

Note 2 Tangible fixed assets and intangible assets

Tangible fixed assets - amounts in NOK '000	Gas transportation facilities	Production facilities	Office machinery, furniture, and fixtures	Right-of-use assets
2025				
Cost at 1 January 2025	245 375	1 462 750	693	10 242
Additions	774	69 440	50	-
Disposals	-	-	-	-
Cost at 31 March 2025	246 149	1 532 190	743	10 242
Accumulated depreciation and impairment at 1 March 2025	91 812	494 704	632	5 992
Depreciation for the period	2 326	71 255	23	249
Disposals	-	-	-	-
Accumulated depreciation and impairment at 31 March 2025	94 138	565 959	654	6 241
Carrying amount at 31 March 2025	152 011	966 231	89	4 001

Gas transportation facilities are depreciated over the license period using the straight-line method. Capitalised costs for oil and gas fields in production are depreciated individually using the unit-of-production method. Office machinery etc. are depreciated over their useful life, 3-5 years. Right-of-use assets are depreciated over the contractual obligation period. Polarled is depreciated over the remaining useful life, which is considered to be the same as the license period that expires in 2041.

The interests in infrastructure and production licenses are pledged as security for the bond issue.

Note 2 Tangible fixed assets and intangible assets cont.

Intangible assets - amounts in NOK '000	Software
2025	
Cost at 1 January 2025	3 667
Additions	750
Disposals	-
Cost at 31 March 2025	4 417
Accumulated depreciation and impairment at 1 January 2025	2 764
Depreciation for the period	220
Disposals	-
Accumulated depreciation and impairment at 31 March 2025	2 984
Carrying amount at 31 March 2025	1 432
2024	
Cost at 1 January 2024	3 518
Additions	149
Disposals	-
Cost at 31 December 2024	3 667
Accumulated depreciation and impairment at 1 January 2024	1 993
Depreciation for the year	771
Disposals	-
Accumulated depreciation and impairment at 31 December 2024	2 764
Carrying amount at 31 December 2024	902

Software is depreciated over its useful life, 3 years, using the straight-line method.

Note 3 Leasing

The company has entered into leases for office premises and parking spaces. This is the only significant lease agreement identified by the company. The current office lease agreement terminates 14.05.2028, and the annual lease cost is NOK 1 208 984.

The incremental borrowing rate applied in discounting the lease debt is 3,859%.

Leasing liabilities – amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Lease debt at beginning of period	4 419	5 543
New lease debt recognized in the period	-	-
Payments of lease debt	(346)	(337)
Interest expense on lease debt	41	44
Total lease debt	4 114	5 249
Short-term lease debt	1 384	1 350
Long-term lease debt	2 730	3 899
Total lease debt	4 114	5 249
Lease debt maturity breakdown (NOK)		
Within one year	1 384	1 350
Two to five years	2 730	3 899
After five years	-	-
Total	4 114	45 249

Extension options are included in the lease liability when, based on management's judgement, it is reasonably certain that an extension will be exercised. No such extension options are recognised as of the balance sheet date.

Note 4 Financial items

Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Interest income	439	305
Currency gains	6 164	4 396
Total financial income	6 602	4 700
Interest expenses	19 867	20 250
Interest on lease debt	41	44
Accretion expense on asset retirement obligation	1 833	1 833
Exchange rate losses	8 206	8 115
Financial items from billing	64	(316)
Other financial items	36	35
Total financial expenses	30 046	29 961
Net financial items	(23 444)	(25 261)

Note 5 Tax

Tax for the period – Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Current year tax payable/receivable	57 327	67 954
Change in previous year tax payable/receivable	-	-
Change in current year deferred tax	(7 708)	(14 511)
Tax expense (+)/income (-)	49 619	53 442

Calculated tax payable (-)/tax receivable (+) – Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Tax payable/receivable at beginning of period	(164 008)	(83 414)
Current year tax payable/receivable	(57 327)	(67 954)
Tax paid	66 441	29 150
Change in previous year tax	-	-
Net tax payable (-)/receivable (+)	(154 893)	(122 218)
Tax receivable included as current assets (+)	-	-
Tax payable included as current liability (-)	(154 893)	(122 218)

Specification of deferred tax liability (-)/asset (+) – Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Deferred tax liability (-)/asset (+) at beginning of period	(183 026)	(169 341)
Change in current year deferred tax	7 708	14 511
Net deferred tax liability (-)/asset (+)	(175 318)	(154 829)

Note 6 Trade and other receivables

Specification of trade and other receivables

Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Accounts receivables	7 738	25 559
Underlift	-	-
Accrued revenue	34 215	17 816
Prepayments	25 587	28 899
VAT receivables	919	795
Other receivables, including balances with license partners	52 189	5 139
Totals	120 648	78 207

The receivables all mature within one year.

Note 7 Stock

Specification of stock

Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
WC Stock from Joint Operations JV	38 589	35 650
Underlift	34 537	2 797
Totals	73 126	38 447

Note 8 Trade, other payables and provisions

Specification of trade, other payables and provisions

Amounts in NOK '000	01.01.-31.03.	01.01.-31.03.
	2025	2024
Accounts payable	6 274	20 358
Accrued public charges and indirect taxes	1 333	(2 033)
Payroll liabilities	4 647	5 223
Accrued interest	2 899	2 945
Share of other current liabilities in licenses	70 991	44 108
Overlift	-	-
Other provisions	2 837	4 393
Totals	88 981	74 993

The payables all mature within one year.

Note 9 Bonds

Amounts in NOK '000	Maturity	31.03.2025	31.03.2024
Senior secured bond (22/25)	Dec 2025	389 175	387 548

Book value of the bonds is the present value of future payments, less bonds held by M Vest Energy.

Interest is paid on a quarterly basis. The working interests in infrastructure and production assets are pledged as security for the bond issue. Book value of pledged assets is MNOK 1 118.

The financial covenants comprise of:

- (i) Minimum liquidity of 5% of outstanding Financial Indebtedness
- (ii) Net leverage ratio of maximum 2.5

Note 10 Other Interest-bearing debt

Amounts in NOK '000	31.03.2025	31.03.2024
Long-term lease debt	2 730	3 899
Short-term lease debt	1 384	1 350
Total	4 114	5 249

Note 11 Equity and shareholders

Shareholders	A-shares	B-shares	Total shares
M Vest AS	14 850	45 750	60 600
Jonny Hesthammer AS	6 000	-	6 000
Alpha Sigma AS	4 575	-	4 575
Buena Vida AS	4 575	-	4 575
Total	30 000	45 750	75 750

The company has 30,000 A shares and 45,750 B shares, each with a nominal value of NOK 1.

The A shares carry full economic rights and full voting rights.

The B shares do not have voting rights in the General Assembly but have otherwise equal rights to the A shares.

Equity changes are found in the Statement of Changes in Equity.

Note 12 Cash and cash equivalents

Amounts in NOK '000	31.03.2025	31.03.2024
Bank deposits, unrestricted	92 923	91 947
Bank deposit, employee taxes, restricted	906	904
Total cash and cash equivalents	93 829	92 851

Note 13 Asset retirement obligations

Amounts in NOK '000	31.03.2025	31.03.2024
Provision at start of period	678 658	680 910
Changes in provision	-	-
Effects of change in the discount rate	-	-
Incurred removal cost	(498)	(3 128)
Accretion expenses	6 547	5 539
Asset retirement obligations at end of period	684 707	683 321

Provisions for asset retirement obligations represent the future expected costs for close-down and removal of oil equipment and production facilities. The provision is based on the company's best estimate. The net present value of the estimated obligation is calculated using a nominal discount rate of 3.859%. Future annual inflation of 2% is assumed. The assumptions are based on the economic environment at balance sheet date. Actual asset retirement costs will ultimately depend upon future market prices for the necessary works which will reflect market conditions at the relevant time. Furthermore, the timing of the close-down is likely to depend on when the field ceases to produce at economically viable rates. This in turn will depend upon future oil and gas prices, which are inherently uncertain.

Note 14 Earnings per share

Earnings per share is calculated by dividing the period's profit attributable to ordinary equity holders of the company by the period's weighted average number of outstanding ordinary shares. There are no option schemes or convertible bonds in the company, meaning there is no difference between the ordinary and diluted earnings per share.

Amounts in NOK	31.03.2025	31.03.2024
Profit for the period attributable to ordinary equity holders (KNOK)	5 103	(1 919)
The period's average number of ordinary shares	75 750	75 750
Earnings per share in NOK	67	(25)

Note 15 Related party transactions

Expenses to related parties ('000)

Related party	Relation	Q1
Molasset AS	MVE's chair of board is chair of board and owner of Molasset AS	1 188

The remuneration is related to purchase of consulting services consisting of strategic support, opportunity analyses, financial advice, risk management and IR-services that is not covered by the permanent employees.

Note 16 Subsequent events

M Vest Energy has today notified Nordic Trustee AS that it will exercise the call option to redeem all outstanding bonds under its senior secured bond issue 2022/2025 (with ISIN NO0012770942).

The exercise of the call option is conditional upon certain conditions as set out in the call option notice being satisfied or waived no later than 6 June 2025.

Subject to satisfaction of the aforementioned conditions, the entire bond issue will be repaid at a price equal to 103.00% of the nominal amount for each redeemed bond plus accrued interest, with record date on 10 June 2025 and call option repayment date on 12 June 2025.

Alternative performance measures

M Vest 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.

Adjusted EBITDA	Earnings before interest, tax, depreciation, amortization and impairment, adjusted for certain lifting delays, first oil effects and M&A-effects.
EBITDA	Is defined as earnings before interest and other financial items, taxes, depreciation, depletion, amortisation, and impairments.
Net leverage ratio	Is the ratio of Total net debt to adjusted EBITDA.
Total net debt	Total interest-bearing financial indebtedness less liquidity.