



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 994 051 067
Organisasjonsform: Allmennaksjeselskap
Foretaksnavn: PANORO ENERGY ASA
Forretningsadresse: c/o Advokatfirmaet Schjødt AS
Tordenskiolds gate 12
0160 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Christo Groenewald
Dato for fastsettelse av årsregnskapet: 24.04.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 16.07.2025



Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Impairment of investment in subsidiaries	2,6	75 000	65 000
Impairment of loans to subsidiaries	2,7	121 000	-9 830 000
General and administrative costs		4 077 000	3 645 000
Sum kostnader		4 273 000	-6 120 000
Driftsresultat		-4 273 000	6 120 000
Finansinntekter og finanskostnader			
Financial income	3	104 000	737 000
currency gain			84 000
Sum finansinntekter		104 000	821 000
loss fail value			26 000
Annen rentekostnad	3	1 605 000	146 000
Annen finanskostnad		191 000	
Sum finanskostnader		1 796 000	172 000
Netto finans		-1 692 000	649 000
Resultat før skattekostnad		-5 965 000	6 769 000
Årsresultat		-5 965 000	6 769 000



Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	6	209 249 000	209 249 000
Sum finansielle anleggsmidler		209 249 000	209 249 000
Sum anleggsmidler		209 249 000	209 249 000
Omløpsmidler			
Varer			
Fordringer			
Konsernfordringer		89 238 000	16 402 000
Sum fordringer		89 238 000	16 402 000
Investeringer			
other current assets		14 000	19 000
Sum investeringer		14 000	19 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		44 946 000	92 000
Sum bankinnskudd, kontanter og lignende		44 946 000	92 000
Sum omløpsmidler		134 198 000	16 513 000
SUM EIENDELER		343 447 000	225 762 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9	738 000	738 000
Beholdning av egne aksjer	9	-4 348 000	



Balanse

Beløp i: USD	Note	2024	2023
Overkurs	9	415 647 000	433 970 000
Annen innskutt egenkapital	9	122 235 000	122 215 000
Sum innskutt egenkapital		534 272 000	556 923 000
Opptjent egenkapital			
Udekket tap	9	349 945 000	343 981 000
Sum opptjent egenkapital		-349 945 000	-343 981 000
Sum egenkapital		184 327 000	212 942 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	146 488 000	0
non current		30 000	64 000
Sum annen langsiktig gjeld		146 518 000	64 000
Sum langsiktig gjeld		146 518 000	64 000
Kortsiktig gjeld			
Secured loans - current portion	10	-553 000	
Leverandørgjeld		232 000	403 000
Kortsiktig konserngjeld		11 125 000	7 313 000
Annen kortsiktig gjeld	11	1 798 000	5 040 000
Sum kortsiktig gjeld		12 602 000	12 756 000
Sum gjeld		159 120 000	12 820 000
SUM EGENKAPITAL OG GJELD		343 447 000	225 762 000



Konsernets resultatregnskap

Beløp i: USN	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	3	267 886 000	217 985 000
Annen driftsinntekt	3	17 172 000	9 491 000
Sum inntekter		285 058 000	227 476 000
Kostnader			
Lønnskostnad		121 045 000	81 734 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	9,10	54 329 000	39 687 000
General and administrative costs	4	11 603 000	9 817 000
Share based payemnts	18	1 999 000	1 840 000
Exploration costs written off	4.1	464 000	
Acquisition and project related costs	4	223 000	811 000
Sum kostnader		189 663 000	133 889 000
Driftsresultat		95 395 000	93 587 000
Finansinntekter og finanskostnader			
Inntekt på andre investeringer	17	3 922 000	
Annen renteinntekt	5	143 000	81 000
Unrealised gain loss on listed equity instruments	5	-6 000	75 000
Sum finansinntekter		4 059 000	156 000
Unrealised gain loss on commodity hedges	5		133 000
Annen rentekostnad	5	16 630 000	13 019 000
Net foreign excheange loss		80 000	61 000
Realised gain loss on commodity hedges	5	315 000	595 000
Realised gain loss on listed equity instruments	5	0	101 000
other financial costs	5	4 201 000	5 492 000
Sum finanskostnader		21 226 000	19 401 000
Netto finans		-17 167 000	-19 245 000
Resultat før skattekostnad		78 228 000	74 342 000
Skattekostnad	7	17 550 000	40 965 000



Konsernets resultatregnskap

Beløp i: USN	Note	2024	2023
Årsresultat		60 678 000	33 377 000
Minoritetsinteresser		0	0
Årsresultat etter minoritetsinteresser		60 678 000	33 377 000
Andre resultatkomponenter for IFRS-foretak		0	0
Totalresultat		60 678 000	33 377 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		60 678 000	33 377 000
Sum overføringer og disponeringer		60 678 000	33 377 000



Konsernets balanse

Beløp i: USN	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Production rights	9	162 272 000	181 559 000
Licenses and exploration assets	9	19 862 000	10 311 000
Goodwill	9,14	52 124 000	52 124 000
Sum immaterielle eiendeler		234 258 000	243 994 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	10	208 000	337 000
Production assets and equipment	10	241 415 000	175 067 000
Development assets	9	85 975 000	83 090 000
other non-current assets		137 000	143 000
Sum varige driftsmidler		327 735 000	258 637 000
Finansielle anleggsmidler			
Lån til foretak i samme konsern		44 000	44 000
Investment in Venture Capital Funds	11	405 000	
Sum finansielle anleggsmidler		449 000	44 000
Sum anleggsmidler		562 442 000	502 675 000
Omløpsmidler			
Varer			
Crude Oil Inventory		10 098 000	18 514 000
Materials Inventory		31 562 000	32 021 000
Sum varer		41 660 000	50 535 000
Fordringer			
Kundefordringer	12	38 586 000	31 350 000
Sum fordringer		38 586 000	31 350 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	13	72 868 000	27 821 000
Sum bankinnskudd, kontanter og lignende		72 868 000	27 821 000



Konsernets balanse

Beløp i: USN	Note	2024	2023
Sum omløpsmidler		153 114 000	109 706 000
SUM EIENDELER		715 556 000	612 381 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	17	738 000	738 000
Beholdning av egne aksjer	16	-4 348 000	0
Overkurs	16	415 647 000	433 969 000
Annen innskutt egenkapital	16,402	122 105 000	122 039 000
Sum innskutt egenkapital		534 142 000	556 746 000

Opptjent egenkapital

Other reserves		-43 408 000	-43 408 000
Udekket tap		216 621 000	277 299 000
Sum opptjent egenkapital		-260 029 000	-320 707 000

Sum egenkapital

274 113 000 **236 039 000**

Gjeld

Langsiktig gjeld

Utsatt skatt	7	62 239 000	72 883 000
Decommissioning liability	15	143 653 000	129 111 000
Other non-current liabilities	17	25 939 000	8 852 000
Sum avsetninger for forpliktelser		231 831 000	210 846 000

Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	5	146 488 000	43 418 000
Licence and Contingent Obligations	6	30 000	6 827 000
Sum annen langsiktig gjeld		146 518 000	50 245 000

Sum langsiktig gjeld

378 349 000 **261 091 000**

Kortsiktig gjeld

Secured Loans - current portion	5	-553 000	26 071 000
Leverandørgjeld	17	28 583 000	25 543 000



Konsernets balanse

Beløp i: USN	Note	2024	2023
Corporation tax liability	7	24 537 000	34 381 000
Licence and Contingent Obligations - current portion	6	5 444 000	1 944 000
Other current liabilities	17	5 083 000	3 532 000
Oil revenue advances	5	0	23 780 000
Sum kortsiktig gjeld		63 094 000	115 251 000
Sum gjeld		441 443 000	376 342 000
SUM EGENKAPITAL OG GJELD		715 556 000	612 381 000



Panoro Energy

SUSTAINABLE FOUNDATIONS, A RESILIENT FUTURE

April 2025

www.panoroenergy.com



Panoro Energy ASA is an independent exploration and production company based in London and listed on the main board of the Oslo Stock Exchange with the ticker PEN.

Panoro holds production, exploration and development assets in Africa, namely interests in Block-G, Block S, Block EG-01 and Block EG-23 offshore Equatorial Guinea, the Dussafu Marin, Niosi Marin and Guduma Marin Licenses offshore southern Gabon, the TPS operated assets in Tunisia and onshore Exploration Right 376 in South Africa.



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FINANCIAL AND OPERATIONAL HIGHLIGHTS

Financial Highlights (in USD 000)

	2024	2023
Oil Revenue	267,886	217,985
Underlying operating profit/(loss) before tax	76,534	77,051
EBITDA	152,187	135,114
EBIT	95,395	93,587
Net Profit/(Loss)	60,678	33,377

Operational and Corporate Highlights



Working interest production averaged **9,950 BOPD**



42.3 MMBBLS
2P reserves at 31/12/24 & **25.6 MMBBLS**
2C resources
2P Reserves Replacement Ratio of 309%



Company controlled safety performance maintained with no major safety incidents for the past five years

Operational Metrics

	2024	2023
Oil sales (bbls) net	3,497,957	2,617,250
Average production - working interest (bopd)	9,950	8,471
2P Reserves (MMbbls) net working interest	42.3	34.7
2C Contingent Resources (MMbbls) net working interest	25.6	28.5



Strong financial performance with reported oil revenue of **USD 267.9 MILLION**



Drilled 4 development wells in Dussafu resulting in additional 4.2 MMbbls 2P. Drilled 2 infill wells at Block G, moved projects from contingent resulting in additional 4.6 MMbbls 2P



Production at Dussafu restored to 40,000 bopd by year end with successful ESP pump replacement campaign



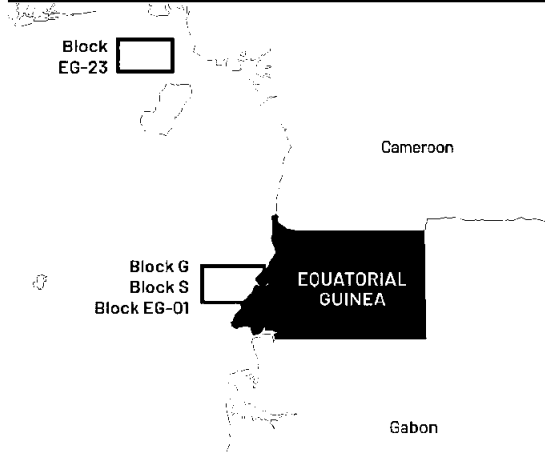
Entered into two new exploration licenses in Gabon and new operated exploration license in Equatorial Guinea



COMPANY SUMMARY

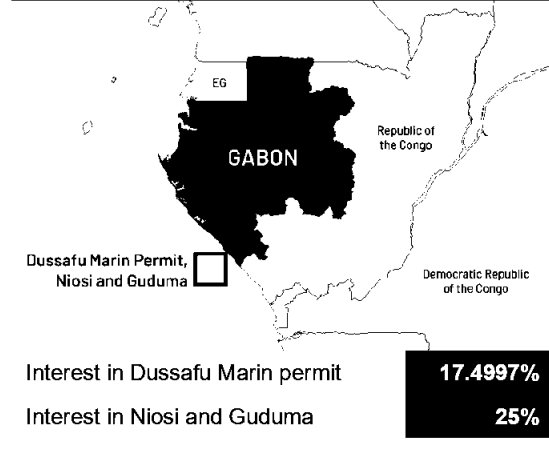
ASSETS

Equatorial Guinea:



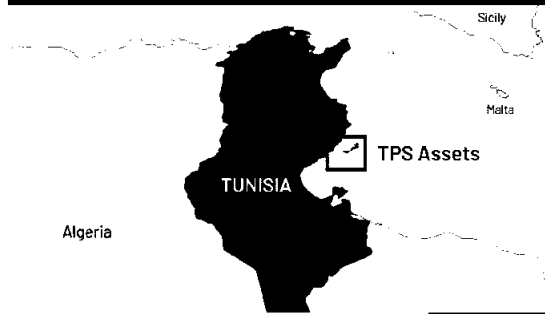
Interest in Block G	14.25%
Interest in Block S	12%
Interest in Block EG-01	56%
Interest in Block EG-23	80%

Gabon:



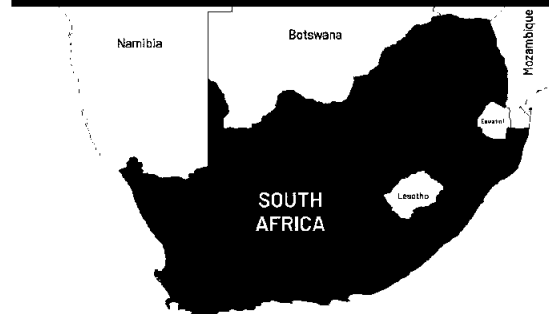
Interest in Dussafu Marin permit	17.4997%
Interest in Niosi and Guduma	25%

Tunisia:



Interest in TPS assets	49%
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South Africa:



Application for ER 376	100%
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Detailed information on all the assets is included in the Operations section of the Directors report on page 9.

PANORO OFFICES

The Company maintains its registered address in Oslo and has offices in London, Malabo, Libreville and Tunis.



CEO LETTER

Dear Fellow Shareholders:

I am pleased to present our Annual Report for 2024. Panoro's strong operational and financial performance in 2024 consolidates our position as a leading independent oil producer in Africa where we hold a high quality and well diversified portfolio of producing assets in Gabon, Equatorial Guinea and Tunisia. The commitment and focus of the Panoro team on managing the business responsibly and safely in a cost-effective manner has enabled us to progressively grow shareholder returns year-on-year while enabling the Company to successfully capitalise on organic reserve growth and portfolio expansion opportunities during the year.

Panoro achieved a number of important milestones in 2024. We successfully concluded an intensive phase of development drilling that saw 10 new wells delivered offshore Gabon and Equatorial Guinea, resulting in achievement of our 13,000 bopd group production target ahead of time. Our infrastructure lead exploration strategy yielded two significant discoveries offshore Gabon, both of which were fast-tracked into production. The successful placing of a USD 150 million bond within a USD 300 million framework during November was an equally important event. The bond issuance diversifies our long-term capital base, adding a scalable instrument in support of our growth strategy, while also reducing our borrowing interest rate.

2024 was another year of generally very good health, safety and environmental performance. The health and safety of our people, contractors and host communities together with minimising our environmental impact continue to be at the core of how we conduct our business. We promote a strong safety culture at every Panoro location. In Tunisia at our jointly operated TPS Asset, we are focused on reducing routine flaring to zero by 2030, which is our most significant climate-related project. Gabon and Equatorial Guinea are non-operated positions for Panoro. Within our role as an active JV partner, we support the respective operators BW Energy and Trident Energy who have also maintained an excellent Health, Safety, and Environment ("HSE") performance. At Block G offshore Equatorial Guinea, the operator is undertaking an ambitious capital investment program that will remove the need for any routine production flaring by 2030. At the Dussafu block offshore Gabon significant steps are being made to reduce routine flaring and diesel consumption. A combination of production process tuning and a gas generator installation project were largely completed during 2024 (pending commissioning) leading to much reduced gas flaring and diesel usage.

Macro Environment

The Brent oil price averaged USD 81 per barrel in 2024, little changed from the 2023 average Brent price of USD 83 per barrel as markets overall were relatively balanced throughout the year with global inventories showing only a modest drawdown of 0.18 million barrels per day in 2024. Slow demand growth and increased supply outside the OPEC+ countries meant that monthly prices remained rangebound between USD 70 per barrel and USD 90 per barrel, offsetting continuing geopolitical tensions in the Middle East and shipping disruptions in the Red Sea. Several extensions of OPEC+ production cuts also provided support, helping to keep prices falling below this range. At the time of writing, uncertainty has increased with the prospects of global trade disruptions, the possibility of recession, and lower oil prices witnessed.

Strong Financial Performance and successful placement of senior secured bond

The higher year-on-year production and volume of crude oil liftings sold more than offset the lower oil price realisations to drive record financial performance in 2024. Revenue in 2024 increased by 25 percent year-on-year to USD 285.1 million, USD 267.9 million of which was generated from crude sales of 3.5 million barrels sold at an average realised price of USD 76.58 per barrel after customary adjustments and fees. EBITDA was up 13 percent at USD 152.2 million while profit before tax was up 2 percent at USD 78.2 million. Reported net profit for the year was up 82 percent at USD 60.7 million. Cash flow from operations for 2024 was USD 112.4 million against capital expenditures of USD 103.1 million, reflecting the high levels of development activity undertaken through the year.

In November, the Company announced the successful placement of a USD 150 million senior secured bond with a coupon rate of 10.25 percent. The bond attracted strong interest from both international and Nordic investors and was significantly over-subscribed. Proceeds from the bond issue were received in December and used in part to fully repay the outstanding amount drawn under the Company's Reserve Based Lending facility of USD 82.5 million plus all accrued and outstanding interest. The remaining net proceeds from the Bond Issue will be used for general corporate purposes. Panoro continues to maintain a conservative balance sheet and ended the year with cash at bank of USD 72.9 million, the only outstanding debt being the senior secured bond.



Production Operations

Working interest production in 2024 averaged 9,950 bopd compared to 8,471 bopd in 2023, and reached targeted levels of 13,000 bopd ahead of time in November following conclusion of the production drilling campaigns in Gabon and Equatorial Guinea. We undertook an active portfolio-wide work programme in 2024.

In Equatorial Guinea the C-45 and OF-19 infill wells were drilled with the Noble Venturer drill ship. Both wells encountered good quality oil saturated reservoir sands in un-swept zones of the Ceiba field and Okume Complex respectively and were put onstream in November.

In Gabon, the expanded 2024 eight-well production drilling campaign, undertaken with the Borr Norge jack up rig, concluded in October when the DHIBM-7H well was successfully completed and put onstream with a conventional electrical submersible pump ("ESP") system. The rig then undertook a workover and ESP replacement programme which was completed as planned in early January. Conventional ESP systems are now installed at all eight Hibiscus / Ruche production wells. Production at Dussafu reached targeted gross levels of 40,000 bopd in November.

In Tunisia various well interventions and workovers were performed throughout the year alongside detailed planning for future development of the Rhemoura field. While the level of activity has been impacted by delays to regulatory processes in-country we continue to see attractive incremental opportunities that could restore production to historic levels in the longer term.

Exploration Activities

In May the Dussafu partners made two significant new oil discoveries at the Hibiscus South Extension and Northern Flank of the Hibiscus main field. The wells encountered 24 metres and 25 metres of net oil pay respectively in the high-quality Gamba reservoir formation and are estimated to have added gross 2P reserves of 23.1 million barrels. Both discoveries were fast-tracked into production during 2024, leveraging the existing production infrastructure nearby to rapidly develop these high-margin barrels cost effectively and once again demonstrate how our infrastructure led exploration and appraisal strategy can create material value for our stakeholders.

The S-6 ("Akeng Deep") exploration well at Block S was drilled in the fourth quarter to a total vertical depth of approximately 4,030 metres and encountered oil zones in the Upper Albian which, following evaluation of all data gathered, is deemed sub-commercial by the partners.

Portfolio expansion

In October we were pleased to sign PSCs for a 25 percent non-operated interest the Niosi Marin and Guduma Marin blocks offshore Gabon. Panoro has been present in Gabon since 2008, during which time we have organically grown reserves and production at Dussafu, developing an in-depth understanding of the hydrocarbon geology as evidenced by our excellent E&A drilling success rate. Blocks Niosi and Guduma are a logical and contiguous extension of our footprint in a core area where we will be able to leverage our expertise to mature and high grade the exploration potential on the blocks in the coming years. Panoro remains committed to growing its presence in Gabon and is delighted to further expand its partnership with the Gabonese Government and other key stakeholders.

In November we finalised terms and signed a PSC with the Government of Equatorial Guinea for offshore Block EG-23 whereby Panoro now holds an 80 percent participating interest and operatorship of the block. Block EG-23 is our second operated asset in country and aligns well with our infrastructure-led exploration and appraisal strategy, increasing our access to a large inventory of oil, gas and condensate discoveries, prospects and leads within tie back distance of existing production facilities. We look forward to extending our partnership with GEPetrol, which holds a 20 percent interest, to leverage our collective core subsurface skill sets to unlock the substantial upside potential that exists on the block.

Sustainability

Panoro is an energy business contributing directly and indirectly to economies across Africa and Europe. While oil and gas remain our core focus, we are actively investing in measures to enhance efficiency, reduce carbon intensity, and support responsible energy practices. Our decarbonisation strategies are evolving, and we will continue to provide updates on our progress.

We are proud to report that our emissions intensity has decreased from 59.7kgCO₂e/boe in 2022 to 40.9kgCO₂e/boe in 2024, reflecting our ability to decouple production growth from carbon intensity. We have now established 2023 as our baseline year and set a Company-wide target of a 50% reduction in CO₂ emissions intensity by 2030. This target enables accurate tracking of emissions-related Key Performance Indicators (KPIs), and we will report transparently on progress in the coming years.



Additionally, efforts are underway to quantify our Scope 3 emissions, particularly Category 11 (Use of Sold Products), to support a more comprehensive approach to transition risk and opportunity management. These initiatives reflect Panoro's ongoing commitment to direct capital and operational resources toward climate change mitigation.

In line with this strategy, we have released our 2024 Sustainability Report alongside this Annual Report. The report profiles our progress and outlines how sustainability is integrated into our growth strategy and core business decisions. I urge you to review both of these complementary documents in parallel for a fully rounded review of our overall performance in 2024 and strategic priorities looking ahead.

Shareholder Returns

Panoro's share price closed the year up 2.6 percent, outperforming the Brent oil price which closed the year down 7.8 percent but underperforming the Oslo All Share Index which ended the year up 9.1 percent.

Consistent with our commitment to create and deliver shareholder value, the Panoro Board of Directors is committed to meaningful and sustainable shareholder returns, balanced alongside our investments in future organic and inorganic growth. Our strong performance in 2024 allowed us to increase our cash distribution paid out during the calendar year to NOK 199.2 million (USD 18.3 million), an increase of 41 percent on cash distributions made during calendar year 2023. In May the Board of Directors also approved the launch of an up to NOK 100 million share buyback programme which has been extended to the Company's 2025 AGM with purchases ongoing up to the approved limit.

Looking ahead to 2025, the Company is aligning its shareholder returns policy with the November 2024 senior secured bond issue and adopting a calendar year distribution cycle. The target distribution amount for calendar year 2025 is NOK 500 million (USD 45 million). Quarterly core cash distributions have been increased to NOK 80 million for 2025, representing an increase of 60 percent on 2024 levels, with a combination of share buybacks and special cash distribution(s) at the discretion of the Board forming the balance of shareholder distributions up to the targeted annual amount. Cash distributions will continue to be paid as a return of paid in capital with any special cash distribution(s) expected to be weighted towards Q3 2025.

The Board of Directors has set the targeted shareholder returns over the remainder of 2025 based on an average realised oil price of USD 70 per barrel. The Board may consider revisions to the phasing and/or level of distributions should there be material variance in respect of macro and/or operational factors.

Outlook

Looking ahead, we expect to benefit from the material uplift in production achieved following conclusion of the development drilling campaigns in Gabon and Equatorial Guinea that will result in Panoro lifting and selling a greater volume of oil more frequently. In combination with significantly lower expected capital expenditure this will translate into increased free cash flow and provide us with scope to return a substantial amount of cash to shareholders, continue to realise the organic upside potential within our portfolio of assets, deleverage and opportunistically capitalise on value accretive new business opportunities should they arise.

Finally, I would like to wholeheartedly thank our shareholders, our strategic partners, our dedicated staff and more generally all our stakeholders for their ongoing support.

John Hamilton
CEO, Panoro Energy ASA

24 April 2025



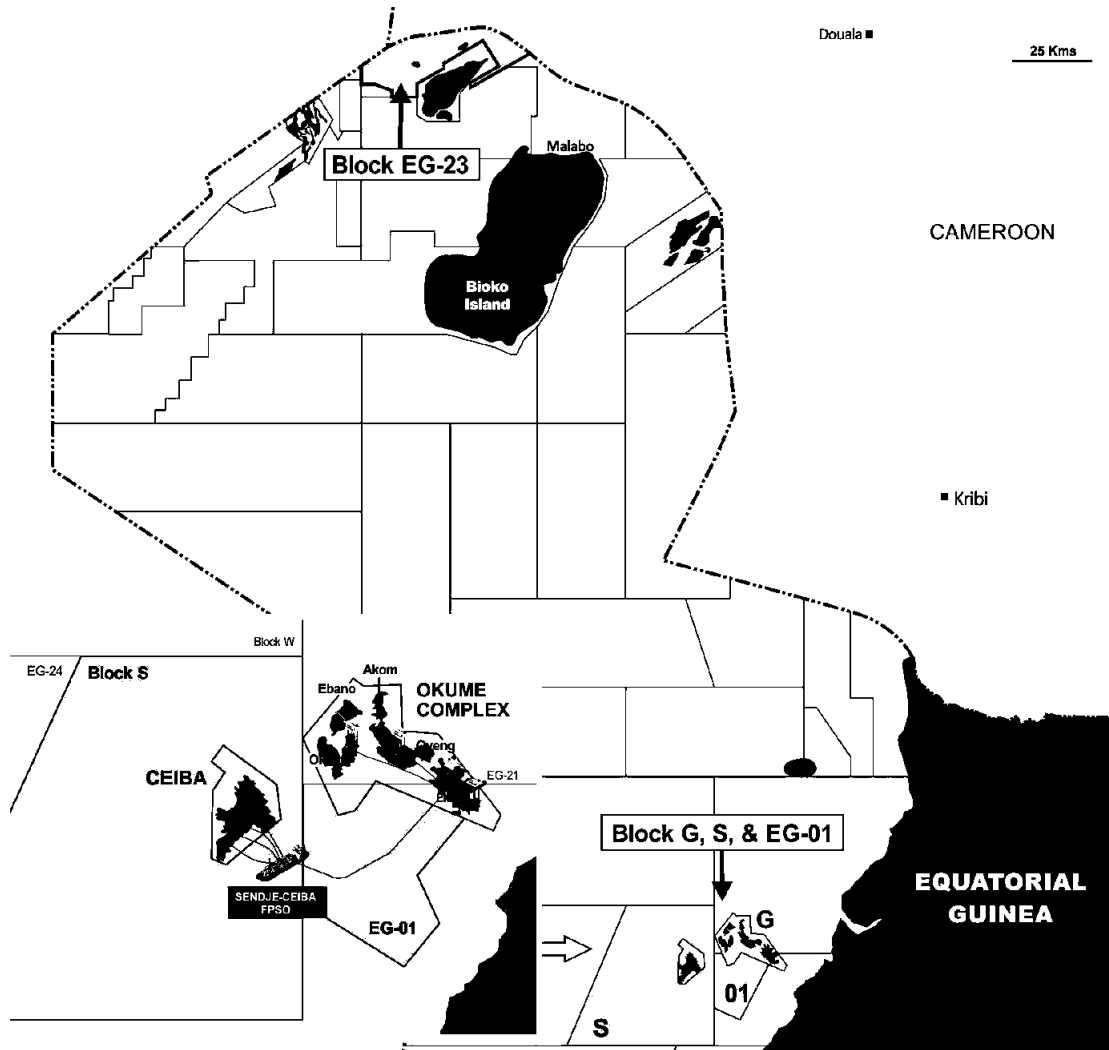
DIRECTORS' REPORT 2024

ABOUT PANORO

Panoro Energy ASA is an independent exploration and production (E&P) company listed on the Oslo Stock Exchange with ticker PEN. The Company holds production, development, and exploration assets in North, West and Southern Africa.

OPERATIONS

Operations in Equatorial Guinea



Panoro has interests in the producing fields in Block G (Okume Complex and Ceiba) and the neighbouring exploration blocks S and EG-01 as well as in the newly acquired operated interest in Block EG-23



Block G, Ceiba Field & Okume Complex (Panoro 14.25% WI)

Block G, offshore Equatorial Guinea, continued to produce at high rates during 2024 with some reserve additions due to reclassification of resources. The performance in the year was underpinned by resumed drilling and sustained field integrity activities.

The Ceiba Field and Okume Complex, comprising six offshore oil fields, are Panoro's core producing assets in Equatorial Guinea. Gross daily production averaged 10,280 bopd at Ceiba and 14,747 bopd at Okume.

Following a temporary pause, the 2024 infill drilling campaign resumed in July with the Noble Venturer drillship. Two new wells, C-45 in Ceiba and OF-19 in Okume, successfully intersected high-quality oil-saturated reservoir sands in un-swept zones and were brought online in November, contributing additional volumes to production.

Complementing the drilling program, a number of well workovers were executed throughout the year, including ESP replacements and acid stimulations, ensuring sustained uptime and performance. The Joint Venture is actively evaluating further infill opportunities across both fields for possible future drilling campaigns.

Importantly, in alignment with the operator's long-term field development strategy, several previously contingent projects were reclassified from contingent resources to reserves. This re-classification resulted in a material net addition of approximately 4.6 million barrels of 2P reserves to Panoro as of year end 2024.

In April 2025, Netherland, Sewell and Associates, Inc. (NSAI) independently certified reserves and resources for Block G as follows:

- Gross 1P Proved Reserves: 82.96 MMbbls | Panoro net WI: 11.82 MMbbls
- Gross 2P Proved + Probable Reserves: 114.61 MMbbls | Panoro net WI: 16.33 MMbbls
- Gross 3P Proved + Probable + Possible Reserves: 147.38 MMbbls | Panoro net WI: 21.00 MMbbls

Panoro's working interest share of 2P reserves and 2C contingent resources amounts to 26.3 million barrels.

Block S (Panoro 12% WI)

The Akeng Deep exploration well (S-6), drilled in Q4 2024 to a depth of 4,030 metres, encountered oil-bearing zones in the Upper Albian. Following detailed evaluation, the partners deemed the discovery sub-commercial. The licence remains active until the end of 2025, with an option for the Joint Venture to enter the next exploration phase.

Block EG-01 (Panoro 56% WI, Operator)

Exploration efforts continued at Block EG-01 with the completion of a seismic reprocessing project in early 2025. The block is covered by high-quality 3D seismic and subsurface studies are ongoing to define drillable prospects. Partners may elect to extend the current phase in March 2026 or commit to drilling an exploration well during a subsequent two-year period.

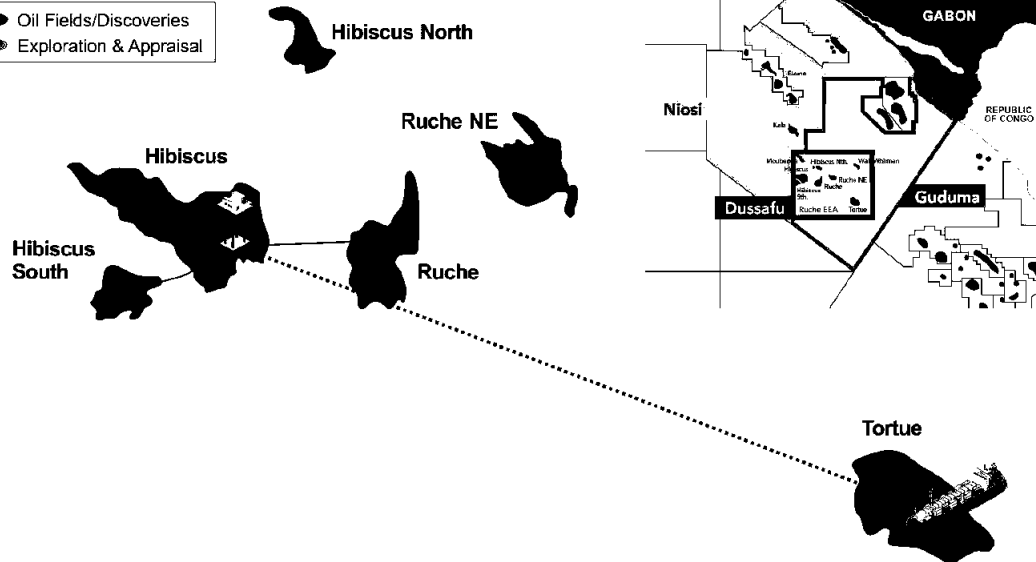
Block EG-23 (Panoro 80% WI, Operator)

Panoro entered into Block EG-23 in November 2024 with an operated 80% interest alongside GEPetrol. EG-23 is located offshore north of Bioko Island and adjacent to the producing Alba gas and condensate field. 19 wells have been drilled to date resulting in seven hydrocarbon discoveries, some of which have been tested. Based on existing data, the Ministry Hydrocarbons and Mining Development estimates Block EG-23 holds gross contingent resources of approximately 104 million barrels of oil and condensate and 215 billion cubic feet of gas. The license term is for an initial period of three years and the work program consists of subsurface studies based on existing seismic. Following this, the partners will have the option to enter into a further two-year period, during which they will undertake to drill an exploration well.

Operations in Gabon

RUCHE EEA AREA

- Oil Fields/Discoveries
- Exploration & Appraisal



Panoro Energy holds a 17.5% working interest in the Dussafu Marin Permit, an 850.5 km² production and development license in southern Gabon, operated by BW Energy Gabon.

Panoro entered into the neighbouring Niosi and Guduma Marin licenses in October 2024 with a 25% interest.

Dussafu Marin Permit (Panoro 17.5% WI)

Gross production from Dussafu averaged approximately 27,700 bopd in 2024, supported by sustained appraisal and development drilling and successful new well startups throughout the year.

Drilling activities, conducted by the Borr Norge jack-up rig, focused on the Hibiscus and Hibiscus South fields. Highlights included:

- DHIBM-7H: Confirmed a northern extension of Hibiscus and added new reserves
- DHBSM-1H and DHBSM-2H: Brought Hibiscus South into production early 2024, each producing over 6,000 bopd gross and added new reserves
- DRM-3H: First Ruche development well, although underperforming initial expectations

In addition to new well drilling, five ESP workovers were performed at Hibiscus and Ruche in the second half of the year to replace failed pumps and restore production to around 40,000 bopd by year end.

The drilling at Hibiscus and Hibiscus South resulted in an additional 4.18 MMbbls 2P reserves net WI to Panoro at year end 2024.

In March 2025, NSAI certified the following reserves for the Dussafu permit:

- Gross 1P Proved Reserves: 80.1 MMbbls | Panoro net WI: 14.02 MMbbls
- Gross 2P Proved + Probable Reserves: 118.56 MMbbls | Panoro net WI: 20.75 MMbbls
- Gross 3P Proved + Probable + Possible Reserves: 167.51 MMbbls | Panoro net WI: 29.31 MMbbls

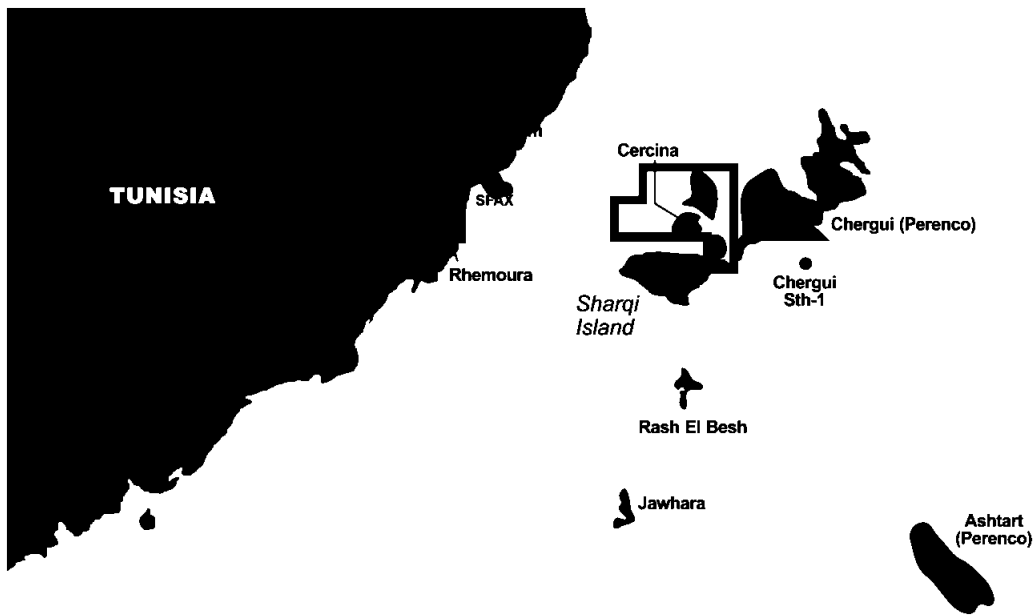
Panoro's total 2P + 2C working interest reserves and contingent resources reserves stood at 29.35 MMbbls as of year-end.



Niosi and Guduma (Panoro 25% WI)

The Niosi and Guduma Marin exploration licenses were awarded in October 2024. Partners in the blocks are BW Energy (operator) and VAALCO. The PSC covering the Niosi block has an initial exploration period of five years with a work commitment of new 3D seismic data acquisition and the drilling of one well. The PSC covering the Guduma block has an initial exploration period of three years with a work commitment of geological and geophysical studies. Both blocks have an option to extend the exploration period and enter a second phase with an additional well commitment.

Operations in Tunisia



Tunisia is an established oil and gas producing country with production since 1966. The country benefits from a low OPEX environment with significant presence from oil service providers in the region. Panoro has interests in the TPS Assets which are a collection of five producing fields.

TPS Assets (Panoro 49% WI)

In Tunisia, gross production from the TPS assets totalled 1.15 million barrels in 2024 (approx. 3,150 bopd), with 0.56 million barrels net to Panoro.

A series of workovers, including ESP replacements and stimulations, helped sustain production. Notably, the El Ain-3 well was reactivated in January 2025 after being offline since March 2024. Planning progressed for future development drilling, particularly at the Rhemoura field.

March 2025 reserves certification by NSAI reported:

- Gross 1P: 7.5 MMbbls | Panoro net WI: 3.70 MMbbls
- Gross 2P: 10.6 MMbbls | Panoro net WI: 5.20 MMbbls
- Gross 3P: 13.7 MMbbls | Panoro net WI: 6.69 MMbbls

Contingent resources net to Panoro (2C): 7.0 MMbbls.



FINANCIAL REVIEW

The Accounts

The Board of Directors confirms that the annual financial statements have been prepared pursuant to the going concern assumption, in accordance with §3-3a of the Norwegian Accounting Act. The going concern assumption is based upon the financial position of the Company and the development plans currently in place. In the Board of Directors' view, the annual accounts give a true and fair view of the group's assets and liabilities, financial position and results.

Prior to 24 April 2023 Panoro participated in its Tunisian assets through a shareholder agreement with Beender Petroleum Tunisia Limited ("Beender"), whereby Panoro and Beender jointly own and control 60% and 40% respectively of Sfax Petroleum Corporation AS ("Sfax Corp"). Sfax Corp, through its subsidiaries, holds 100% shares of Panoro Tunisia Production AS ("PTP") and Panoro Tunisia Exploration AS ("PTE"). During 2023, Panoro acquired the remaining 40% of the shares in Sfax Corp from Beender as described in Note 14: Business Combinations to the Financial Statements. As such, all numbers and volume information relating to the Company's Tunisian operations and transactions up to the acquisition date, represents the Company's 60% interest and 100% after the acquisition date.

As of 31 December 2024, the Group had USD 72.9 million in cash and bank balances and secured debt of USD 145.9 million, with no oil revenue advances outstanding at this date.

Panoro Energy ASA prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS[®] Accounting Standards), as provided for by the EU and the Norwegian Accounting Act. The consolidated accounts are presented in US dollars. The below analysis compares 2024 with 2023 figures.



FINANCIAL PERFORMANCE AND ACTIVITIES

Underlying profit/(loss) before tax from continuing operations

Underlying operating profit/(loss) before tax is considered by the Group to be a useful additional measure to help understand operational performance. A reconciliation with adjustments to arrive at the underlying operating profit/(loss) before tax from continuing operations is included in the table below.

USD 000	2024	2023
Net income/(loss) before tax - continuing operations	78,228	74,342
Share based payments	1,999	1,840
Acquisition and project related costs	223	811
Gain on reassessment of contingent consideration	(3,922)	-
Unrealised (gain)/loss on commodity hedges	-	133
Unrealised (gain)/loss on listed equity investments	6	(75)
Underlying operating profit/(loss) before tax	76,534	77,051

Underlying operating profit/(loss) before tax is a supplemental non-GAAP financial measure used by management and external users of the Company's consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. The Company defines underlying operating profit/(loss) before tax as Net income (loss) from continuing operations before tax adjusted for (i) Share based payment charges; (ii) unrealised (gain) loss on commodity hedges; (iii) unrealised (gain) loss on sale of listed equity investments; (iv) (gain) loss on sale of oil and gas properties; (v) impairments write-offs and reversals, and (vi) similar other material items which management believes affect the comparability of operating results. We believe that underlying operating profit/(loss) before tax and other similar measures are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the oil and gas sector and will provide investors with a useful tool for assessing the comparability between periods, among securities analysts, as well as company by company. Because EBITDA and underlying operating profit/(loss) before tax excludes some, but not all, items that affect net income, these measures as presented by us may not be comparable to similarly titled measures of other companies.





Condensed Consolidated Income Statement

USD 000	2024	2023
CONTINUING OPERATIONS		
Oil revenue	267,886	217,985
Other revenue	17,172	9,491
Total revenues	285,058	227,476
Expenses		
Operating costs	(121,045)	(81,301)
Exploration related costs	-	(433)
Acquisition and project related costs	(223)	(811)
General and administrative costs	(11,603)	(9,817)
EBITDA	152,187	135,114
Depreciation, depletion and amortisation	(54,329)	(39,687)
Exploration costs written off	(464)	-
Share based payments	(1,999)	(1,840)
EBIT	95,395	93,587
Gain on reassessment of contingent consideration	3,922	-
Net financial items	(21,089)	(19,245)
Profit / (loss) before income taxes	78,228	74,342
Income tax expense	(17,550)	(40,965)
Net profit/(loss) from continuing operations	60,678	33,377
Net profit/(loss) for the year	60,678	33,377

Income statement

The discussion and analysis below represent the results from the Group's continuing operations in Equatorial Guinea, Gabon, Tunisia and South Africa.

Panoro Energy reported EBITDA of USD 152.2 million for the year ended 31 December 2024, compared to USD 135.1 million for the same period in 2023.

EBITDA includes oil revenue from sale of oil of USD 268 million from continuing operations for 2024 comprising of two liftings from Block G totalling USD 101.4 million (1,352,474 bbls), nine liftings from Dussafu totalling USD 132.8 million (1,714,493 bbls) and 13 liftings (three international and ten domestic) from the Group's Tunisian portfolio making up the remaining revenue of USD 33.7 million (430,990 bbls). This compares to USD 218 million from continuing operations for 2023 comprising of two liftings from Block G totalling USD 110.8 million (1,309,665 bbls), two liftings from Dussafu totalling USD 61.7 million (719,747 bbls) and 13 liftings (three international and ten domestic) from Tunisia totalling USD 45.4 million (587,838 bbls).

Other revenue of USD 17.1 million consists of estimated State profit oil of USD 17 million (year ended 31 December 2023: USD 10.9 million) with a corresponding amount shown as income tax (Note 7: Income tax) and the net result on domestic market obligation transactions being a profit of USD 0.1 million (2023: loss of USD 1.4 million). State profit oil and domestic market obligations are conditions specified under the terms of the Dussafu PSC.

Panoro Energy reported a net profit of USD 60.7 million from continuing operations for the year ended 31 December 2024, compared to net profit of USD 33.4 million from continuing operations for the year ended 31 December 2023.

Acquisition and project related costs for 2024 are USD 0.2 million related to new exploration blocks added to the Panoro portfolio. This compares to USD 0.8 million in 2023 relating to the acquisition of 40% of the shares of Sfax Petroleum Corporation AS as described in Note 14: Business Combinations (the "Sfax Transaction"). Exploration related costs of USD 0.4 million in 2024 related to technical studies.

G&A costs relating to continuing operations are USD 11.6 million in 2024 compared to USD 9.8 million in 2023, the increase reflecting the growth of Panoro combined with inflationary increases with additional exploration activities and employees.

Depreciation and amortisation charge for the year for continuing operations of USD 54.3 million compared to the USD 39.7 million in 2023. The increase is the result of increases in depreciable assets and production levels across the portfolio.



EBIT from continuing operations for 2024 was thus USD 95.4 million compared to USD 93.6 million in 2023.

Gain on reassessment of contingent liability of USD 3.9 million relates to change in estimated fair value of contingent consideration related to the acquisition of Panoro Equatorial Guinea Limited in 2021 as described in Note 14: Business Combinations (the "EG Transaction").

Net financial items from continuing operations amount to a loss of USD 21.1 million (2023: USD 19.2 million). Net financial items comprise interest on secured loans facility of USD 12.3 million (2023: USD 11.4 million) which included the write-off of unamortised borrowing cost of USD 1.7 million related to the repayment of the Senior Secured Borrowing Base facility as described in Note 5: Finance, interest and other income and expense; interest on BW Energy Non-Recourse loan USD 0.1 million in 2023, interest on revenue advance facility USD 2 million (2023: USD 1.4 million); unrealised loss on commodity hedges USD 0.1 million in 2023; realised gain on commodity hedges of USD 0.3 million (2023: loss of USD 0.6 million); and foreign exchange loss of USD 0.1 million (2023: USD 0.1 million). The remaining financial items represent realised and unrealised loss on listed equity investments, interest on unwinding of decommissioning provision and unwinding of the discount on right of use asset under IFRS 16 (Note 22: Leases).

Profit before tax from continuing operations was USD 78.2 million in 2024 and USD 74.3 million in 2023.

Income taxes of USD 17.6 million in 2024 compared to USD 41 million in 2023 with the decrease mainly attributable to 2024 drilling expenditure at Block G qualifying for tax relief. The tax charge for 2024 includes a credit of USD 2.4 million related to Block G (2023: USD 17.2 million), an estimated USD 17.1 million (2023: USD 10.9 million) representing State profit oil under the terms of the Dussafu PSC and USD 9.1 million (2023: USD 13.3 million) for taxes on profits for the Group's Tunisian Operations. The tax charge also includes a USD 10.6 million (2023: USD 0.5 million) of deferred tax liability reversal.

Net profit after tax for 2024 was therefore USD 60.7 million compared to USD 33.4 million for the year ended 31 December 2023.

Statement of financial position

Non-current assets amount to USD 562.4 million at 31 December 2024 compared to USD 502.7 million at 31 December 2023. Production rights decreased by USD 19.3 million from USD 181.6 million at 31 December 2023 to USD 162.3 million at 31 December 2024 due to production driven depreciation. Licences and exploration assets amount to USD 19.9 million at 31 December 2024 compared to USD 10.3 million at 31 December 2023 driven by capitalised exploration cost of USD 9.5 million during the year. Goodwill remained unchanged at USD 52.1 million.

Production assets amount to USD 241.4 million at 31 December 2024 compared to USD 175.1 million at 31 December 2023, an increase of USD 66.3 million as a result of additions of USD 86.2 million, transfers from Development assets of USD 4.3 million and adjustment of asset retirement obligations of USD 10.6 million, offset by depreciation of USD 34.7 million. Development assets increased by USD 2.9 million from USD 83.1 million on 31 December 2023 to USD 86 million on 31 December 2024 resulting from additions of USD 7.2, offset by transfers to production assets of USD 4.3 million.

Current assets amount to USD 153.1 million as of 31 December 2024 compared to USD 109.7 million at 31 December 2023. Crude inventory decreased from USD 18.5 million at 31 December 2023 to USD 10.1 million at 31 December 2024 because of more liftings closer to the year-end compared to 2023. Materials inventory was at similar levels at USD 31.6 million at 31 December 2024 and USD 32 million at 31 December 2023. Trade and other receivables increased by USD 7.2 million from USD 31.4 million at 31 December 2023 to USD 38.6 million at 31 December 2024. The increase is a result of higher trade receivables of USD 12.1 million, offset by lower oil underlift of USD 3.9 million and decrease in other short term receivable items of USD 1 million.

Cash and cash equivalents stood at USD 72.9 million, compared to USD 27.8 million at 31 December 2023, a net inflow of USD 45.1 million. Cash inflows mainly comprised of inflows from operations of USD 112.4 million, proceeds from loans and borrowings of USD 180 million and the proceeds from sale and leaseback arrangements of USD 25.9 million. This is offset by cash outflows related to investment in exploration and production assets of USD 103.1 million, loan repayments of USD 100.6 million, financial charges of USD 15 million, distribution to shareholders of USD 18.3 million and share buyback payments of USD 4.4 million. Other cash outflows include net repayment of oil revenue advances of USD 23.8 million, the cash cost of vesting RSUs settlement of USD 1.9 million and USD 0.8 million in commodity hedge and lease payments.

Equity at 31 December 2024 amounts to USD 274.1 million compared to USD 236 million at the end of December 2023.

Total non-current liabilities increased to USD 378.3 million as at 31 December 2024 from USD 261.1 million at 31 December 2023.



Decommissioning liability increased from USD 129.1 million in 2023 to USD 143.6 million, an increase of USD 14.5 million reflecting additions of USD 0.5 million, unwinding of discount of USD 3.9 million and changes in cost estimates of USD 14.4 million, offset by reduction due to increased licence terms of USD 4.3 million.

Non-current and current portions of Secured Loans increased from USD 69.4 million at 31 December 2023 to USD 145.9 million at 31 December 2024 as a result of repayments of principal of USD 100.6 million and interest of USD 15 million during the year, offset by a drawdown of USD 180 million and accumulation of interest and unamortised borrowing costs accounting for the remaining movement. For further details, refer to Note 5: Finance, interest and other income and expense.

Total licence obligations and estimated licence and contingent obligations was USD 5.5 million at 31 December 2024 and USD 8.8 million at 31 December 2023, a decrease of USD 3.2 million. The full amount is deemed as current (2023: USD 1.9 million current and USD 6.8 million non-current) and relates to the acquisition of the Sfax Offshore Exploration Permit ("SOEP") from DNO in July 2018 and the subsequent expiry of the permit.

Other non-current liabilities were USD 26 million at 31 December 2024 compared to USD 8.8 million at 31 December 2023, comprising USD 1.1 million provision for contingent consideration related to the EG Transaction in 2021 (31 December 2023: 5.1 million), USD 3.6 million of provision for long term employment benefits for TPS employees (31 December 2023: USD 3.7 million) and USD 21.3 million of failed sale liability related to the MaBoMo sale and leaseback arrangement at Dussafu (31 December 2023: nil).

Non-current liabilities at 31 December 2024 also include USD 62.2 million of deferred tax liabilities relating the Group's Equatorial Guinea and Tunisian assets (31 December 2023: USD 72.9 million).

Current liabilities amounted to USD 63.1 million at 31 December 2024 compared to USD 115.3 million at 31 December 2023.

Accounts payable, accruals and other liabilities increased from USD 25.5 million at 31 December 2023 to USD 28.6 million at 31 December 2024. The increase of USD 3.1 million is a result of USD 4.4 million increase in trade payable owing for purchase of crude oil to comply with domestic mark obligation requirements, a higher overlift balance of USD 5.3 million reflecting different timing of liftings across the years reported, increased trade liabilities due to higher than usual activity at the end of the year of USD 2.4 million. This is offset by the settlement during the year of USD 5 million of trade consideration payable at 31 December 2023 related to the Sfax Transaction (see Note 14: Business Combinations) and reduction of USD 4 million in joint venture accounts due to timing differences.

Other current liabilities were USD 5.1 million at 31 December 2024 (31 December 2023: USD 3.5 million), consisting mainly of provision for historical cost settlement liability of USD 2.3 million taken on as part of the historical acquisition of the Tunisian business, USD 2.7 million related to the MaBoMo sale and leaseback arrangement at Dussafu with the remaining USD 0.1 million related to other liabilities in the normal course of business.

Corporation tax liabilities in Equatorial Guinea, Tunisia and United Kingdom were USD 24.5 million at 31 December 2024 and USD 34.4 million at 31 December 2023.

Cash flows

Net cash inflow from operating activities amounted to USD 112.4 million in 2024 (31 December 2023: USD 79.9 million), the increase was driven by higher EBITDA as a result of higher production and the cash inflow effect of lower tax payments related to prior year activities.

Net cash flow from investing activities was an outflow of USD 108.7 million comprise of cash outflows of USD 5.4 million related to the Sfax Transaction, with the remaining USD 103.3 million mainly related to investment in oil and gas assets. This compares to outflows in 2023 of USD 70.4 million, with USD 3 million related to the Sfax Transaction and the remaining USD 67.4 million to investment in oil and gas assets.

Net cash flow from financing activities was an inflow of USD 41.3 million in 2024 (2023: outflow of USD 14.3 million), as a result of drawdowns of USD 150 million and USD 30 million respectively from the Senior Secured Bond and Senior Secured Loan facility, offset by interest of USD 15 million and the repayment in full of USD 100.6 million of the Senior Secured Loan facility. The remaining inflow of USD 25.9 million related to proceeds on the Dussafu MaBoMo sale and leaseback arrangement. Outflows include a net increase of USD 23.9 million of the oil revenue advance facility, cash distribution to shareholders of USD 18.3 million, the cost of share buybacks of USD 4.3 million, USD 1.9 million related to the cash cost of settlement of RSUs, lease liability payments of USD 0.2 million and cash settlement of commodity hedges of USD 0.3 million.

Cash and cash equivalents were therefore USD 72.9 million at 31 December 2024 compared to USD 27.8 million at 31 December 2023.



ALLOCATION OF PROFITS AND LOSSES

Parent company financial information

USD 000	2024	2023
Total revenues	-	-
Operating expenses		
General and administrative costs	(4,077)	(3,645)
Impairment of investment in subsidiary	(75)	(65)
Provision for doubtful receivables*	(121)	9,830
Total operating expenses	(4,273)	6,120
Earnings before interest and tax (EBIT)	(4,273)	6,120
Loss on disposal of business	-	-
Net interest and financial items	(1,692)	675
Loss on fair value of listed equity investments	-	(26)
Profit/(loss) before taxes	(5,965)	6,769
Income tax benefit / (expense)	-	-
Net profit/(loss) attributable to equity holders	(5,965)	6,769

* Provision for doubtful receivables owed from loans provided to subsidiaries. See Note 7: Provision for doubtful receivables in the Parent Company Financial Statements.

Distributable equity and coverage of profit/(loss) in Panoro Energy ASA

The Board of Directors proposes that the loss for the year of USD 6 million in the parent company be transferred to other equity.

Dividends and Distributions

On 21 February 2024, the Board of Directors approved a cash distribution of NOK 0.427 per share to shareholders holding shares in the Company at the end of trading on 7 March 2024. The total distribution was NOK 50 million (USD 4.7 million) and was in the form of return of paid-in capital. The cash distribution was paid on 21 March 2024.

On 22 May 2024, the Board of Directors approved a cash distribution of NOK 0.427 per share to shareholders holding shares in the Company at the end of trading on 3 June 2024. The total distribution was NOK 50 million (USD 4.6 million) and was in the form of return of paid-in capital. The cash distribution was paid on 13 June 2024.

On 21 August 2024, the Board of Directors approved a cash distribution of NOK 0.427 per share to shareholders holding shares in the Company at the end of trading on 3 September 2024. The total distribution was NOK 50 million (USD 4.5 million) and was in the form of return of paid-in capital. The cash distribution was paid on 16 September 2024.

On 19 November 2024, the Board of Directors approved a cash distribution of NOK 0.427 per share to shareholders holding shares in the Company at the end of trading on 2 December 2024. The total distribution was NOK 50 million (USD 4.5 million) and was in the form of return of paid-in capital. The cash distribution was paid on 10 December 2024.

On 24 February 2025, the Board of Directors approved a cash distribution of NOK 0.684 per share to shareholders holding shares in the Company at the end of trading on 4 March 2025. The total distribution was NOK 80 million (USD 7.5 million) and was in the form of return of paid-in capital. The cash distribution was paid on 12 March 2025.

FUNDING

The Company, on a consolidated basis, closed the year with a cash position of USD 72.9 million and debt of USD 145.9 million. The Company did not issue any shares during the year but bought back its own shares on the open market for USD 4.3 million which are held as Treasury shares.

On 27 November 2024, the Company issued a 5-year Senior Secured Bond of USD 150 million at 99.2% of nominal value with a coupon rate of 10.25%. Proceeds of the bond issue were received on 19 December 2024 and used in part to fully repay the principal and accrued interest amount outstanding under the Senior Secured Borrowing Base facility. Further details are set out in Note 5: Finance, interest and other income and expense.

Looking ahead, the Company through its group companies, is committed to activities as described in the Directors' report.



PRINCIPAL RISKS AND UNCERTAINTIES

Risks relating to the oil and gas industry

The Group's results of operations, cash flow and financial condition depend significantly on the level of oil and gas prices and market expectations to these, and may be adversely affected by volatile oil and gas prices and by the general global economic and financial market situation

The Group's profitability is determined, in large part, by the difference between the income received from the oil and gas produced and the operational costs, taxation costs, as well as costs incurred in transporting and selling the oil and gas. Lower prices for oil and gas may thus reduce the amount of oil and gas that the Group is able to produce economically. This may also reduce the economic viability of the production levels of specific wells or of projects planned or in development to the extent that production costs exceed anticipated revenue from such production. The recent heightened volatility increases the unpredictability of revenue streams and complicates financial planning and investment decisions.

The economics of producing from some wells and assets may also result in a reduction in the volumes of the Group's reserves. The Group might also elect not to produce from certain wells at lower prices. These factors could result in a material decrease in net production revenue, causing a reduction in oil and gas acquisition and development activities. In addition, certain development projects could become unprofitable because of a decline in price and could result in the Group having to postpone or cancel a planned project, or if it is not possible to cancel the project, carry out the project with negative economic impact. The current environment necessitates a more cautious approach to development projects, with a focus on flexibility and resilience to navigate the volatile market conditions.

In addition, a prolonged material decline in prices from historical average prices could reduce the Group's ability to refinance its outstanding credit facilities and could result in a reduced borrowing base under credit facilities available to the Group. Changes in the oil and gas prices may thus adversely affect the Group's business, results of operations, cash flow, financial condition and prospects. This could lead to tighter credit conditions and higher borrowing costs, straining financial flexibility. The reduced borrowing base may limit the Group's ability to fund new projects or maintain existing operations, potentially leading to delays or cancellations of key initiatives. Additionally, the uncertainty surrounding future oil and gas prices can impact investor confidence, making it more challenging to attract capital. At the time of writing global economic uncertainty has increased with the prospects of international trade disruptions, the possibility of recession and increased oil price volatility witnessed. Panoro continually monitors the external business environment and risks beyond its control. The Company seeks to mitigate such risks through proactive management including regular reviews of its business plan in the context of market realities, preservation of a conservative balance sheet, hedging of commodity price, robust liquidity management and strict cost control.

The Company is operating a commodity hedging program to strategically hedge a portion of its 2P oil reserves to protect against a fall in oil prices and consequently, to protect the Group's ability to service its debt obligations and to fund operations including planned capital expenditure. The hedging program continues to be closely monitored and adjusted according to the Group's risk management policies and cashflow requirements. The Group continues to monitor and optimise its hedging programme on an on-going basis. Also see Note 19: Financial instruments.

Exploration, development and production operations involve numerous safety and environmental risks and hazards that may result in material losses or additional expenditures

Developing oil and gas resources and reserves into commercial production involves risk. The Group's exploration operations are subject to all the risks common in the oil and gas industry. These risks include, but are not limited to, encountering unusual or unexpected rock formations or geological pressures, geological uncertainties, seismic shifts, blowouts, oil spills, uncontrollable flows of oil, natural gas or well fluids, explosions, fires, improper installation or operation of equipment and equipment damage or failure. Given the nature of offshore operations, the Group's exploration, operating and drilling facilities are also subject to the hazards inherent in marine operations, such as capsizing, sinking, grounding and damage from severe storms or other severe weather conditions, as well as loss of containment, fires or explosions.

Climate Risk

Climate risk poses significant challenges to the oil and gas industry, primarily through increased regulatory pressure and policy modifications aimed at reducing carbon emissions. The transition to a low-carbon economy is driving investment away from fossil fuels and towards renewable energy sources. Additionally, physical risks such as extreme weather events can disrupt operations and damage infrastructure. Companies in this sector must adapt their business models to mitigate these risks and remain viable in a rapidly changing environment. Through climate risk and resilience research, including assessments incorporated into the country risk registers, the Group concluded that its assets are not at significant physical or transition risk



at this time. No anticipated financial effects from climate related risks are expected, and there are no current cost savings from climate change mitigation or adaptation actions, as no such actions have been deemed necessary. Additionally, the Group does not foresee any revenue from low-carbon products or services in the near term. Strategies are under development to address any medium-term transition risks.

The market in which the Group operates is highly competitive

The oil and gas industry is very competitive and rapidly changing. Competition is particularly intense in the acquisition of (prospective) oil and gas licenses. The Group's competitive position depends on its geological, geophysical and engineering expertise, financial resources, the ability to develop its assets and the ability to select, acquire, and develop proven reserves.

Access to capital

Concerns surrounding the energy transition have the potential to reduce the appetite of banks and investors to finance hydrocarbon activities. The Group does not anticipate any material change to funding in the short to medium term but are aware of this risk and will continue to monitor the potential impact of this risk to the business.

Risks relating to the business of the Group

Risk relating to the outbreak of war, including the ongoing invasion in Ukraine

The Group has limited indirect exposure to the war in Ukraine. Recent global macroeconomic and geopolitical developments have supported higher energy prices amid concerns for regional energy shortages. At the same time, project execution risk has increased with supply chain and logistics challenges, inflationary pressures, and higher interest rates. Panoro is focused on mitigating the potential impact from supply chain challenges and commodity inflation. The Group continues to monitor the increasing geopolitical tensions and deepening crisis between Russia and Ukraine and regularly reviews the potential impact on our business activities and assets.

Developing a hydrocarbon production field requires significant investment

The Group currently plans to be involved in developments in its oil and gas licences. Developing a hydrocarbon production field requires significant investment over a long period of time, to build the requisite operating facilities, drilling of production wells along with implementation of advanced technologies for the extraction and exploitation of hydrocarbons with complex properties. Making these investments and implementing these technologies, normally under difficult conditions, can result in uncertainties about the amount of investment necessary, operating costs and additional expenses incurred as compared with the initial budget, thereby negatively affecting the business, prospects, financial condition and results of operations of the Group.

Further, with respect to contingent resources, the amount of investment needed may be prohibitive, such that conversion of resources into reserves may not be commercially viable. The Group may be unable to obtain needed capital or financing on satisfactory terms. If the Group's revenues decrease, it may have limited ability to obtain the capital necessary to sustain operations at current levels. If the Group's available cash is not sufficient to fund its committed or planned investments, a curtailment of its operations relating to development of its business prospects could occur, which in turn could lead to a decline in its oil and natural gas production and reserves, or if it is not possible to cancel or stop a project, be legally obliged to carry out the project contrary to its desire or with negative economic impact. Further, the Group may inter alia fail to make required cash calls and thus breach license obligations, which again could lead to adverse consequences. All of the above may have a material adverse effect on the Group and its financial position.

There are risks and uncertainties relating to extension of existing licenses and permits, including whether any extensions will be subject to onerous conditions

The Group's license interests for the exploration and exploitation of hydrocarbons will be subject to fixed terms, some of which will expire before the economic life of the asset is over.

The Group plans to extend any permit or license where such extension is in the best interest of the Group. However, the process for obtaining such extensions is not certain and no assurances can be given that an extension in fact will be possible. Even if an extension is granted, such extension may only be given on conditions which are onerous or not acceptable to the Group.

If any of the licenses expire, the Group may lose its investments into the license, be charged penalties relating to unfulfilled work program obligations (such as at Hammamet in Tunisia) and forego the opportunity to take part in any successful development of, and future production from, the relevant license area, which could have a material adverse effect on the Group's financial position and future prospects.



Local authorities may impose additional financial or work commitments beyond those currently contemplated

The Group's license interests for the exploration and exploitation of hydrocarbons will typically be subject to certain financial obligations or work commitments as imposed by local authorities. The existence and content of such obligations and commitments may affect the economic and commercial attractiveness for such license interest. No assurance can be given that local authorities do not unilaterally amend current and known obligations and commitments. If such amendments are made in the future, the value and commercial and economic viability of such interest could be materially reduced or even lost, in which case the Group's financial position and future prospects could also be materially weakened.

Oil and gas production could vary significantly from reported reserves and resources

The Group's reserve evaluations have been prepared in accordance with existing guidelines. These evaluations include many assumptions relating to factors such as initial production rates, recovery rates, production decline rates, ultimate recovery of reserves, timing and amount of capital expenditures, marketability of production, future prices of oil and gas, operating costs, and royalties and other government levies that may be imposed over the producing life of the reserves and resources. Actual production and cash flows will vary from these evaluations, and such variations could be material. Hence, although the Group understands the life expectancy of each of its assets, the life of an asset may be shorter than anticipated. Among other things, evaluations are based, in part, on the assumed success of exploration activities intended to be undertaken in future years. The reserves, resources and estimated cash flows to be derived therefrom contained in such evaluations will be reduced to the extent that such exploration activities do not achieve the level of success assumed in the evaluations, and such reductions may have a material adverse effect on the Group's business, results of operations, cash flow and financial condition.

The Company faces risks related to decommissioning activities and related costs

Several of the Group's license interests concern fields which have been in operation for years and which, consequently, will have equipment which from time to time will have to be decommissioned. In addition, the Group plans and expects to take part in developments and investments on existing and new fields, which will increase the Group's future decommissioning liabilities.

There are significant uncertainties relating to the estimated liabilities, costs and time for decommissioning of the Group's current and future licenses. Such liabilities are derived from legislative and regulatory requirements and require the Group to make provisions for such liabilities.

Therefore, it is difficult to forecast accurately the costs that the Group will incur in satisfying decommissioning liabilities. No assurance can be given that the anticipated cost and timing of removal are correct and any deviation from current estimates or significant increase in decommissioning costs relating to the Group's previous, current or future licenses, may have a material adverse effect on the Group.

The Group may be subject to liability under environmental laws and regulations

All phases of oil and gas activities present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and national laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, and releases or emissions of various substances. The legislation also requires that wells and facility sites are operated, maintained and abandoned to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties in addition to loss of reputation. Any pollution may give rise to material liabilities and may require the Group to incur material costs to remedy such discharge. No assurance can be given that current or future environmental laws and regulations will not result in a curtailment or shut down of production or a material increase in the costs of production, development or exploration activities or otherwise have a material adverse effect on the Group.

The Group's business and financial condition could be adversely affected if tax regulations for the petroleum industry are amended

There is no assurance that future political conditions will not result in the host governments adopting different policies for petroleum taxation. In the event there are changes to such tax regimes, it could lead to new investments being less attractive, increase costs for the Group and prevent the Group from further growth. In addition, taxing authorities could review and question the Group's historical tax returns leading to additional taxes and tax penalties which could be material.

The Group faces the risk of litigation or other proceedings in relation to its business

The Group faces the risk of litigation and other proceedings in relation to its business. The outcome of any litigation may expose the Group to unexpected costs and losses, reputational and other non-financial consequences and ongoing litigations may divert management attention away from operational matters and incur substantial costs, all of which could have a material adverse effect on the Group's business and financial position.



The Group will have guarantee and indemnity obligations

The Group will in its ordinary course of business provide guarantees and indemnities to governmental agencies, joint venture partners or third-party contractors in respect of activities relating to its subsidiaries, inter alia for such subsidiaries working and abandonment obligations under licences or obligations under the relevant terms of agreements with third party contractors.

Should any guarantees or indemnities given by the Company be called upon, this may have a material adverse effect on the Group's financial position.

Financial risks

Financial risk is managed by the finance department in line with the policies approved by the Board of Directors. The overall risk management program seeks to minimise the potential adverse effects of unpredictable fluctuations in financial and commodity markets on financial performance, i.e., risks associated with currency and interest rate exposures, debt servicing and oil and gas prices. Financial instruments such as derivatives, forward contracts and currency and commodity swaps are continuously being evaluated for the hedging of such risk exposures.

Risks associated with foreign exchange risk, including CEMAC foreign exchange regulations

The Group operates in multiple international jurisdictions and is exposed to various economic uncertainties, including, taxation policies, currency controls, and foreign exchange restrictions that can impose a risk to liquidity. Group's primary source of liquidity is cashflow from production of oil in Block G Equatorial Guinea and Dussafu Gabon both of which are subject to foreign currency regulations of the Central African Economic and Monetary Community (CEMAC). In December 2021, new foreign currency regulations were issued by the Bank of Central African States (BEAC) requiring a share of crude oil sale proceeds to be repatriated into the CEMAC region, the full suite of foreign currency regulations have not yet been agreed or approved and continue to be debated at length within the oil extractive industry and with additional input from global financial institutions.

The Group evaluated the new regulations and deemed that the impact does not propose a significant threat to its liquidity. However, if the foreign currency restrictions were to be imposed on and enforced against the Group in their current form, this could restrict the Group's ability to repatriate earnings from the operations at effected countries, pay dividends from subsidiaries and repay or refinance any future loan facilities, which would entail extensive documentation and fee requirements and increased administrative burdens on the Group's operations.

Existing debt is restrictive on the Group and the Group may have difficulties servicing debt in the future

The Group has incurred and may in the future incur debt or other financial obligations which could have important consequences to its business including, but not limited to:

- making it difficult to satisfy the Group's obligations with respect to such indebtedness,
- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions,
- requiring the dedication of a substantial portion of the Group's cash flow from operations to the repayment of the principal of its indebtedness and interest on such indebtedness, thereby reducing the availability of such cash flow,
- limiting the Group's ability to obtain additional financing to fund working capital, capital investments, acquisitions, debt service requirements, business ventures, or other general corporate purposes,
- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the competitive environment and the industry in which the Group does business; and
- adversely affecting the Group's competitive position if its debt burden is higher than that of its competitors.

The Group will require a significant amount of cash to service current and future debt and sustain its operations, and its ability to generate sufficient cash depends on many factors beyond its control

The Group's ability to make payments on, or repay or refinance, any debt and to fund working capital and capital investments, will depend on its future operating performance and ability to generate sufficient cash. This depends on the success of its business strategy and on general economic, financial, competitive, market, legislative, regulatory, technical and other factors as well as the risks discussed in these "Risk Factors", many of which are beyond the Group's control. The Group cannot assure that its business will generate sufficient cash flow from operations or that future debt and equity financings will be available to it in an amount sufficient to enable it to pay its debt, or to fund its other liquidity needs. The Group cannot give assurance that it will be able to refinance any debt on commercially reasonable terms or at all. Any failure by the Group to make payments on debt on a timely basis would likely result in a reduction of its credit rating, which could also harm its ability to incur additional indebtedness. There can be no assurance that any assets that the Group may elect to sell can be sold or that, if sold, the timing of such sale will be acceptable, and the amount of proceeds realised will be sufficient to satisfy its debt service and other liquidity needs.



If the Group is unsuccessful in any of these efforts, it may not have sufficient cash to meet its obligations, which could cause an event of default under any debt arrangements and could result in the debt being accelerated, lending reserves and certain bank accounts being frozen, triggering of cross-default provisions, enforcement of security and the companies of the Group, including the Group being forced into bankruptcy or liquidation.

The Group is exposed to interest rate and liquidity risk associated with its borrowing portfolio and fluctuations in underlying interest rates

The Group's long-term debt is primarily based on floating interest rates. An increase in interest rates can therefore materially adversely affect the Group's cash flows, operating results and financial condition and make it difficult to service its financial obligations. The Group has, and will in the future have, covenants related to its financial commitments. Failure to comply with financial obligations, financial covenants and other covenants may entail several material adverse consequences, including the need to refinance, restructure, or dispose of certain parts of, the Group's businesses in order to fulfil the financial obligations and there can be no assurances that the Group in such event will be able to fulfil its financial obligations.

Changes in foreign exchange rates may affect the company's results of operations and financial position

Due to the international nature of its operations, the Group is exposed market fluctuations in foreign exchange rates due to the fact that the Group reports profit and loss and the balance sheet in US Dollars (USD). The risks arising from currency exposure are primarily with respect to USD, the Norwegian Kroner (NOK), the Tunisian Dinar (TND), the Pound Sterling (GBP) and, to a lesser extent, Brazilian Reals (BRL).

The company is exposed to risk of counterparties being unable to fulfil their financial obligations

A general downturn in financial markets and economic activity may result in a higher volume of late payments and outstanding receivables, which may in turn adversely affect the company's business, operating results, cash flows and financial condition.

Joint arrangement and contractors

Panoro is not the operator on all of our license areas and facilities and do not hold all of the working interests in certain of our license areas. The actions of our partners, contractors and subcontractors could result in legal liability and financial loss for the Group. Many of Panoro's activities are conducted through joint arrangements and with contractors and subcontractors which may limit Panoro's influence and control over the performance of such operations. If operators, partners or contractors fail to fulfil their responsibilities, Panoro can be exposed to financial, operational, safety, security and compliance risks as well as reputational risks and risks related to ethics, integrity and sustainability.

CORPORATE GOVERNANCE

Panoro's corporate governance policy is based on the recommendations of the Norwegian Code of Practice for Corporate Governance. The main objective for Panoro Energy ASA's Corporate Governance is to develop a strong, sustainable, competitive and successful E&P company acting in the best interest of all the stakeholders, within the laws and regulations of the respective countries. The Board and management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

Panoro Energy acknowledges that successful value-added business is profoundly dependent upon transparency and internal and external confidence and trust. Panoro Energy believes that this is achieved by building a solid reputation based on our financial performance, our values and by fulfilling our commitments. Thus, good corporate governance practices combined with Panoro Energy's Code of Conduct is an important tool in assisting the Board to ensure that we properly discharge our duty.

The composition of the Board ensures that the Board represents the common interests of all shareholders and meets the Company's need for expertise, experience, capacity and diversity. The members of the Board represent a broad range of experience including oil and gas, energy, banking and investment. The composition of the Board ensures that it can operate independently of any special interests. Members of the Board are elected for a maximum period of two years. However, in the last election, the Board was appointed for one year. Recruitment of members of the Board may be phased so that the entire Board is not replaced at the same time. The Chairman of the Board of Directors is elected by the General Meeting.

The Board may be given power of attorney by the General Meeting to acquire the Company's own shares. Any acquisition of shares will be carried out through a regulated marketplace at market price, and the Company will not deviate from the principle of equal treatment of all shareholders. If there is limited liquidity in the Company's share at the time of such transaction, the Company will consider other ways to ensure equal treatment of all shareholders. The Company currently holds shareholder authorisation approved in the 2024 Annual General Meeting to acquire its own shares to a maximum of NOK 584,720 of share



capital equivalent to 11,694,400 shares, each with a nominal value of NOK 0.05. From the current year's authorisation, which is due to expire prior to the 2025 Annual General Meeting, the Company purchased 2,980,300 shares as at 15 April 2025.

The Board may also be given a power of attorney by the General Meeting to issue new shares for specific purposes. Any decision to deviate from the principle of equal treatment by waiving the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital will be justified and disclosed in the stock exchange announcement of the increase in share capital. Such deviation will be made only if it is in the common interest of the shareholders and the Company.

The Company has not granted any loans or guarantees to anyone in the management or any of the directors.

The Company has directors' and officers' liability insurance which covers the cost of compensation claims made against the Company's directors and key managers (officers) for alleged wrongful acts.

The Board acknowledges the Norwegian Code of Practice for Corporate Governance and the principle of comply or explain. Panoro Energy has implemented this Code and uses its guidelines as the basis for the Board's governance duties. A report on the corporate governance policy is incorporated in a separate section of this report and is also posted on the Company's website at www.panoroenergy.com.

The Company has implemented a policy for Ethical Code of Conduct and works diligently to comply with these guidelines. The Group's 2024 Sustainability Report which can be found on the Company's website at www.panoroenergy.com outlines the full Ethical Code of Conduct policy and discloses compliance and activities related to the Transparency Act, which the Company is subject to.

DIRECTORS AND SHAREHOLDERS

According to its articles of association, the Company shall have a minimum of three and a maximum of eight directors on its Board. The number of Board members was five at the end of 2024 and 2023, all non-executive directors. The members have various backgrounds and experience, offering the Company valuable perspectives on industrial, operational and financial issues. The Board consists of three male and two female members as at year end 2024. The Board held several meetings during the year, which also included meetings held through circulation of documents and by phone calls.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Panoro's 2024 Sustainability Report is published as a separate document on the Company website at www.panoroenergy.com and contains detailed ESG disclosures, information on the Company's sustainability performance and approach and risk management processes.

Business Model and Strategy

Panoro Energy ASA is an independent exploration and production company focused on responsibly developing oil and gas resources in Africa. Assets are located in Equatorial Guinea, Gabon, Tunisia, and South Africa, supplying crude oil and natural gas to refineries and energy providers worldwide. Panoro is committed to a just energy transition, working with partners and host governments to produce hydrocarbons responsibly for the foreseeable future.

The Company acknowledges that the extraction of hydrocarbons is a high-risk activity, however, our joint venture and operating partners have robust, industry-appropriate management systems in place to manage potential impacts, risks, and opportunities.

Sustainability Guidelines

Panoro strives to act with professionalism, respect, honesty, transparency, loyalty, and trust, maintaining high ethical standards throughout the organisation. While it is not required to report to the Corporate Sustainability Reporting Directive ("CSRD") and report in alignment with the European Sustainability Reporting Standards ("ESRS"), the business took the decision to report in line with these standards in addition to retaining prior frameworks such as the Global Reporting Initiative ("GRI"), Task Force on Climate-related Financial Disclosures ("TCFD"), and Sustainability Accounting Standards Board ("SASB"). Panoro recognises the value of the CSRD for our stakeholders and have chosen to integrate essential elements, including the Double Materiality Assessment ("DMA") process and the adoption of activated ESRS disclosures.



Negative Effects and Mitigation

Panoro acknowledges the potential negative effects linked to its operations and value chain. Our DMA process helps prioritise the most relevant topics, evaluating both impact materiality (how we affect the environment and society) and financial materiality (how sustainability factors affect our business).

The primary negative effect arising from our activities relates to emissions, both from our operations and from the end-use of the hydrocarbons we produce. Conversely, we recognise the positive contribution we make by providing access to reliable energy and generating significant revenues in the form of taxes and royalties for host governments, supporting their economic development.

We have extended our risk management framework to specifically address climate-related risks. Through this enhanced framework, we have identified and ranked the most significant climate-related risks to our business. Consequently, we have defined and are actively implementing projects aimed at mitigating these risks and improving our overall sustainability performance.

A significant decrease in Scope 1 and 2 emissions intensity from 59.7 kgCO₂e/boe in 2022 to 40.9 kgCO₂e/boe in 2024 has been achieved, and the company has set a target to reduce CO₂ emissions intensity by 50% by 2030, using 2023 as the baseline year.

Key initiatives include the reduction of gas flaring in Equatorial Guinea through the GINI project, such as the Foxtrot Compression system installation, investments in methane monitoring and expansion of Leak Detection and Repair (LDAR) programmes, and the advancement of a gas-to-power project to lower reliance on external power sources.

Panoro will continue collaboration with joint venture partners to implement emissions reduction strategies and allocate funding towards decarbonisation initiatives, including plant modifications to reduce venting during production processes.

Sustainability Risks and Management

Panoro manages sustainability risks through our Enterprise-Wide Risk Management ("EWRM") framework. This framework ensures the identification, assessment, and mitigation of risks across our operations, considering both the likelihood and potential impact of each risk. The EWRM process is embedded within the broader business processes and is regularly reviewed and updated to reflect changes in the operating environment and emerging sustainability challenges. Key risks identified through the DMA process, such as climate change and health and safety are integrated into the EWRM approach.

Critically, our joint venture and operating partners maintain management systems for operational and health and safety risks, ensuring a consistent approach to risk management across our activities.

We recognise that sustainability is an ongoing journey, and we are determined to keep evolving and improving.

Key Performance Indicators

The following indicators, along with others detailed in the full Sustainability Report, provide a comprehensive view of our most critical sustainability performance and progress.

Metric	Unit	2024	2023	2022
Scope 1 and 2 emissions intensity	kgCO ₂ e/boe	40.9	51.3	59.7
TPS training	Hours ¹	22.3	12.6	22.3
TPS Total Recordable Incident Rate ("TRIR")	Rate ²	-	-	2.32

1. Training hours is calculated by dividing total hours by number of employees.
2. TRIR is calculated per million hours worked.

Working Environment

Panoro is dedicated to maintaining a safe and healthy working environment across its global operations. Key performance indicators related to the working environment include:

- As previously stated, the TRIR for full-time employees remained at 0 for the second consecutive year, reflecting a strong safety culture.
- While Panoro has achieved strong HSE performance at its Tunisia TPS assets, the company recognises the need to address an increase in contractor TRIR rates through enhanced safety measures.
- The sickness rate across the Panoro workforce in 2024 was 0.39% (sick time divided by total contracted time), indicating a healthy workforce.



Implemented measures include:

- Continuous monitoring and improvement of HSE protocols.
- Collaboration with operating partners, BW Energy and Trident Energy to ensure health and safety standards are upheld across all assets.

Further information can be found in the separately published 2024 Sustainability Report.

Panoro has established itself as a leading independent full-cycle oil company in Africa with a diversified portfolio of high-quality cash generative producing assets, material pipeline of organic growth opportunities and robust financial profile. The Board of Directors are committed to translating the strong fundamentals of the business into meaningful and sustainable shareholder returns, in balance with Panoro's opportunistic approach to new business opportunities should they arise.

The Board wishes to thank the staff and shareholders for their continued commitment to the Company.

24 April 2025
The Board of Directors
Panoro Energy ASA

JULIEN BALKANY	TORSTEIN SANNESS	GARRETT SODEN
Chairman of the Board	Deputy Chairman of the Board	Non-Executive Director
ALEXANDRA HERGER	GUNNVOR ELLINGSEN	JOHN HAMILTON
Non-Executive Director	Non-Executive Director	Chief Executive Officer



ANNUAL STATEMENT OF RESERVES 2024

INTRODUCTION

Panoro's classification of reserves and resources complies with the guidelines established by the Oslo Stock Exchange and are based on the definitions set by the Petroleum Resources Management System (PRMS), sponsored by the Society of Petroleum Engineers/ World Petroleum Council/ American Association of Petroleum Geologists/ Society of Petroleum Evaluation Engineers (SPE/WPC/AAPG/SPEE) as issued in June 2018.

Reserves are the volume of hydrocarbons that are expected to be produced from known accumulations:

- On Production
- Approved for Development
- Justified for Development

Reserves are also classified according to the associated risks and probability that the reserves will be actually produced.

1P – Proved reserves represent volumes that will be recovered with **90% probability**

2P – Proved + Probable represent volumes that will be recovered with **50% probability**

3P – Proved + Probable + Possible volumes that will be recovered with **10% probability**.

Contingent Resources are the volumes of hydrocarbons expected to be produced from known accumulations:

- In planning phase
- Where development is likely
- Where development is unlikely with present basic assumptions
- Under evaluation

Contingent Resources are reported as 1C, 2C, and 3C, reflecting similar probabilities as reserves.

DISCLAIMER

The information provided in this report reflects reservoir assessments, which in general must be recognised as subjective processes of estimating hydrocarbon volumes that cannot be measured in an exact way.

It should also be recognised that results of recent and future drilling, testing, production and new technology applications may justify revisions that could be material.

Certain assumptions on the future beyond Panoro's control have been made. These include assumptions made regarding market variations affecting both product prices and investment levels. As a result, actual developments may deviate materially from what is stated in this report.

The estimates in this report are based on third party assessments prepared by Netherland Sewell and Associates Inc. (NSAI).





PANORO ASSETS PORTFOLIO

The Panoro portfolio reported here for year end 2024 is considered to comprise assets with reserves and contingent resources being the Block G license in Equatorial Guinea, the Dussafu license in Gabon and the TPS Assets in Tunisia.

A summary description of these assets with reserves and contingent resources with their status as of 31 December 2024 is included below. For additional background information on the assets, refer to the company's website. Unless otherwise specified, all reserves figures quoted in this report are net to Panoro's working interest.



BLOCK G: Offshore Equatorial Guinea

Operator: Trident Energy, Panoro 14.25%

The Block G assets comprise a number of oil fields offshore Equatorial Guinea

The Block G license covers an area containing the Ceiba field and the Okume complex. The Okume complex consists of five separate oil fields. The fields in Block G started production in 2000-2002 and oil is produced through a number of wells either subsea or from fixed platforms and tied back to a FPSO.

Production from Block G during 2024 amounted to 9.16 MMbbls gross.

In April 2025 NSAI certified (3rd party) reserves and resources for the Block G licence. As of the end of December 2024, the Block G licence contained gross 1P Proved Reserves of 83.0 MMbbls in the Ceiba and Okume Complex fields. Gross 2P Proved plus Probable Reserves amounted to 114.6 MMbbls in the same fields. Gross 3P Proved plus Probable plus Possible Reserves in these fields amounted to 147.4 MMbbls.

In addition to these Reserves NSAI also certified gross unrisks 1C Contingent Resources of 30.6 MMbbls, gross unrisks 2C Contingent Resources of 70.1 MMbbls, and gross unrisks 3C Contingent Resources of 120.9 MMbbls in the Block G licence area.

These evaluations yield the following Reserves net to Panoro's working interest of 14.25%: 1P Proved Reserves of 11.82 MMbbls, 2P Proved plus Probable Reserves of 16.33 MMbbls and 3P Proved plus Probable plus Possible Reserves of 21.00 MMbbls. Additional unrisks Contingent Resources net to Panoro's working interest of 14.25% are 4.4 MMbbls 1C, 10.0 MMbbls 2C and 17.2 MMbbls 3C. These Reserves and Contingent Resources are Panoro's net working interest volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 9.83 MMbbls, net entitlement 2P reserves are 13.30 MMbbls and net entitlement 3P reserves are 16.72 MMbbls.



DUSSAFU: Offshore Gabon **Operator: BW Energy, Panoro 17.4997%**

The Dussafu license contains the producing Tortue, Hibiscus and Hibiscus South fields

Dussafu is a development and exploitation licence covering an area containing several oil fields, the most recent discovery being the Hibiscus South field. In 2014 an Exclusive Exploitation Authorisation (EEA) for an 850.5 km² area within the Dussafu PSC was awarded. The first field in the EEA area, Tortue, started oil production in 2018.

Production from the Dussafu license during 2024 amounted to 10.13 MMbbls gross.

In March 2025 NSAI certified (3rd party) reserves and resources for the Dussafu licence. As of the end of December 2024, the Dussafu licence contained gross 1P Proved Reserves of 80.1 MMbbls. Gross 2P Proved plus Probable Reserves amounted to 118.6 MMbbls. Gross 3P Proved plus Probable plus Possible Reserves in Dussafu amounted to 167.5 MMbbls.

In addition to these Reserves NSAI also certified gross unrisks 1C Contingent Resources of 24.7 MMbbls, gross 2C Contingent Resources of 49.4 MMbbls, and gross 3C Contingent Resources of 95.6 MMbbls in the Dussafu licence area.

These evaluations yield the following Reserves net to Panoro's working interest of 17.5%: 1P Proved Reserves of 14.02 MMbbls, 2P Proved plus Probable Reserves of 20.75 MMbbls and 3P Proved plus Probable plus Possible Reserves of 29.31 MMbbls. Additional unrisks Contingent Resources net to Panoro's working interest of 17.5% are 4.3 MMbbls 1C, 8.6 MMbbls 2C and 16.7 MMbbls 3C. These Reserves and Contingent Resources are Panoro's net working interest volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 10.69 MMbbls, net entitlement 2P reserves are 14.40 MMbbls and net entitlement 3P reserves are 18.40 MMbbls.



TPS ASSETS: Onshore and Offshore Tunisia **Operator: TPS, Panoro 49.0%**

The TPS Assets comprise five oil field concessions in the region of the city of Sfax, onshore and shallow water offshore Tunisia

The concessions are Cercina, Cercina Sud, Rhemoura, El Ain/Gremda and El Hajeb/Guebiba.

The oil fields were discovered in the 1980's and early 1990's and have produced a total of approximately 63 million barrels of oil to date. Production from the TPS assets amounted to 1.15 MMbbls gross in 2024.

In March 2025 NSAI certified (3rd party) reserves and resources for the TPS licences. As of the end of December 2024 gross field reserves amount to 1P Proved Reserves of 7.6 MMbbls, 2P Proved plus Probable Reserves of 10.6 MMbbls and 3P Proved plus Probable plus Possible Reserves of 13.7 MMbbls. Panoro's net working interest 1P Proved reserves are 3.70 MMbbls, 2P Proved plus Probable are 5.20 MMbbls and 3P Proved plus Probable plus Possible are 6.70 MMbbls.

In addition to these reserves, NSAI also assessed gross 1C Contingent Resources of 8.9 MMbbls, 2C Contingent Resources of 14.2 MMbbls and 3C Contingent Resources of 22.4 MMbbls. Panoro's net working interest 1C Contingent Resource is 4.4 MMbbls, net working interest 2C Contingent Resource is 7.0 MMbbls and net working interest 3C Contingent Resource is 11.0 MMbbls. These Reserves and Contingent Resources are Panoro's net volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 3.23 MMbbls, net entitlement 2P reserves are 4.54 MMbbls and net entitlement 3P reserves are 5.85 MMbbls.



MANAGEMENT DISCUSSION AND ANALYSIS

Panoro uses the services of NSAI for third party verifications of its reserves and resources.

All evaluations are based on standard industry practice and methodology for production decline analysis and reservoir modelling based on geological and geophysical analysis. The following discussions are a comparison of the volumes reported in previous reports, along with a discussion of the consequences for the year-end 2024 ASR.

Block G: In 2024 certain contingent resources projects were re-classified as reserves in line with the operators longer term planning, this resulted in an increase in reserves for the Ceiba and Okume fields.

Remaining contingent resources in the Block G fields are associated with projects that have not yet been approved and potential production beyond the license expiry dates of the fields. Some of these contingent resources may be re-assigned as reserves if certain projects are approved or license terms further extended.

Dussafu: Following the drilling of the Hibiscus South discovery and the northern extension of the Hibiscus field in 2024, combined with stronger-than-anticipated well performance across the Hibiscus area, additional reserves were booked for both the Hibiscus and Hibiscus South fields.

The remaining fields in Dussafu (Walt Whitman, Moubenga and Hibiscus North) and extensions to the other fields are classified as Contingent Resources. A decision to develop these fields will trigger a re-assignment of these resources as reserves and a possible re-determination of their volumes.

TPS: Some minor modifications were made to forward reserve projections based on well performance in 2024. Contingent Resources may be re-assigned as reserves if certain projects are approved or license terms extended.

ASSUMPTIONS:

The commerciality and economic tests for all of the reserves volumes were based on the following Brent Crude future oil price adjusted for price differentials:

Period Ending	Oil Price
31 December	USD/bbl
2025	76
2026	79
2027	80
2028	83
2029	85
2030	88
2031	91
2032	93
2033	96
2034	99
2035	102
2036	104
2037	107
2038	110
2039	113
Thereafter	115



2024 – 2P DEVELOPMENT (WORKING INTEREST)

2P Reserves Development	MMBOE
Balance (previous ASR – 31 December 2023)	34.7
Production 2024	(3.6)
Extensions and discoveries since previous ASR	5.9
Revisions of previous estimates	5.3
Balance (revised ASR) as of 31 December 2024	42.3

Panoro's total 1P working interest reserves at end of 2024 amount to 29.54 MMbbls. Panoro's 2P reserves amount to 42.27 MMbbls and Panoro's 3P reserves amount to 57.01 MMbbls.

Panoro's Contingent Resource base includes discoveries of varying degrees of maturity towards development decisions. By the end of 2024, Panoro's assets contained a total un-risked 2C working interest volume of 25.6 MMbbls.

24 April 2025

John Hamilton
CEO





ANNEX RESERVES STATEMENT

AS OF 31 DECEMBER 2024

	Interest %	1P (Low Estimate)		2P (Base Estimate)		3P (High Estimate)	
		Gross MMbbls	Net MMbbls	Gross MMbbls	Net MMbbls	Gross MMbbls	Net MMbbls
Block G	14.25	82.96	11.82	114.61	16.33	147.38	21.00
Dussafu	17.50	80.10	14.02	118.56	20.75	167.51	29.31
TPS	49.00	7.55	3.70	10.60	5.19	13.66	6.69
Total			29.54		42.27		57.01

Small rounding differences may arise due to rounding to the nearest MMbbl.

CONTINGENT RESOURCES SUMMARY

Asset	2C MMBOE (as of YE 2023)	2C MMBOE (as of this report)
Block G	13.4	10.0
Dussafu	8.0	8.6
TPS	7.1	7.0
Totals	28.5	25.6



CORPORATE GOVERNANCE

BOARD OF DIRECTORS

JULIEN BALKANY

CHAIRMAN OF THE BOARD



Julien Balkany is a French citizen, and a resident in London, who since 2014 has been Chairman of the Norwegian oil & gas exploration and production company Panoro Energy ASA. Alongside this, since 2008, Julian also serves as a Managing Partner of Nanes Balkany Partners, a group of investment funds that focuses on the oil & gas industry. Concomitantly, he is also Non-Executive Chairman of the private Norwegian mining company Polar Transition Minerals AS, and Non-Executive Director of the London listed independent oil company Gulf Keystone Petroleum. Julien was previously a Non-Executive Director of several private and publicly listed oil & gas companies including Norwegian Energy Company (Noreco - BlueNord), Gasfrac Energy Services, Toreador Resources, and Amromco Energy. Julien started his career as an oil and gas investment banker and studied at the Institute of Political Studies (Strasbourg) and at UC Berkeley.

TORSTEIN SANNESS

DEPUTY CHAIRMAN
OF THE BOARD



Mr. Torstein Sanness is a Norwegian citizen residing in Norway, who serves as the Company's Deputy Chairman of the Board of Directors. Mr. Sanness has served as a Board Member since 2015 and has extensive experience and technical expertise in the oil and gas industry. Mr. Sanness became the Chairman of Lundin Norway in April 2015. Prior to this position Mr. Sanness was Managing Director of Lundin Petroleum Norway from 2004 to 2015. Under his leadership Lundin Norway was turned into one of the most successful players on the ECS and added net discovered resources of close to a billion BOE to its portfolio through the discoveries of among others E. Grieg and Johan Sverdrup. Before joining Lundin Norway, Mr. Sanness was Managing Director of Det Norske Oljeselskap AS (wholly owned by DNO at the time) and was instrumental in discoveries of Alvheim, Volund and others. From 1975 to 2000, Mr. Sanness was at Saga Petroleum until the sale to Norsk Hydro and Statoil, where he held several executive positions in Norway as well as in the US. Currently Mr. Sanness is serving as Executive Chairman of Magnora ASA with a renewable energy strategy in solar and wind, on the Board of Aquila Holding ASA with holdings in renewables and seismic, and Chairman of the board of Concedo/Attica, a private E&P company with focus on the Norwegian continental shelf. Mr. Sanness is a graduate of the Norwegian Institute of Technology in Trondheim where he obtained a Master's Degree in Engineering (geology, geophysics and mining engineering).





ALEXANDRA HERGER

NON-EXECUTIVE DIRECTOR



Ms. Alexandra (Alex) Herger, a US citizen based in Maine, has extensive senior leadership and board experience in worldwide exploration and production for international oil and gas companies. Ms. Herger has 45 years of global experience in the energy industry, currently serving as an independent director for Tortoise Capital Advisors, CEFs, based in Kansas, as well as Panoro Energy ASA. Her most recent leadership experience was as Vice President for Marathon Oil Company until her retirement. Prior to this position, Ms. Herger was Director of International Exploration and New Ventures for Marathon Oil Company from 2008 –2014, where she led five new country entries and was responsible for adding net discovered resources of over 500 million BOE to the Marathon portfolio. Ms. Herger was at Shell International and Shell USA from 2002-2008, holding positions as Exploration Manager for the Gulf of Mexico, Manager of Technical Assurance for the Western Hemisphere, and Global E & P Technical Assurance Consultant. Prior to the Shell / Enterprise Oil acquisition in 2002, Ms. Herger was Vice President of Exploration for the Gulf of Mexico for Enterprise Oil, responsible for the addition of multiple giant deep-water discoveries. Earlier, Ms. Herger held positions of increasing responsibility in oil and gas exploration and production, operations, and planning with Hess Corporation and ExxonMobil Corporation. Ms. Herger holds a bachelor's degree in Geology from Ohio Wesleyan University and post-graduate studies in Geology from the University of Houston.

GUNNVOR ELLINGSEN

NON-EXECUTIVE DIRECTOR



Mrs. Ellingsen is a Norwegian Citizen residing in London. She spent 20 years of her career in oil and gas investment banking before moving to the industry. In her current role, Mrs. Ellingsen leads corporate M&A at Shell International. Previously she has worked for HVB Group, Waterous & Co., Scotia Bank, BNP Paribas and Lambert Energy. Until end of 2022 she was non-executive director for Invest in Africa, a non-profit organisation with focus on creation of employment by training local SMEs. She graduated with a Masters in Petroleum Engineering from Stavanger University and a Masters in Petroleum Economics and Management from the Institut Français du Pétrole.

GARRETT SODEN

NON-EXECUTIVE DIRECTOR



Garrett Soden has worked with the Lundin Group for nearly two decades and has extensive experience as a senior executive and board member of various public companies in the natural resources sector. Mr. Soden is currently President and CEO of ShaMaran Petroleum Corp. and has been a Non-Executive Director of Panoro Energy ASA since 2015. He holds a BSc honours degree from the London School of Economics and an MBA from Columbia Business School.



SENIOR MANAGEMENT



JOHN HAMILTON

Chief Executive Officer

John Hamilton, Chief Executive Officer (CEO), has considerable experience from various positions in the international oil and gas industry, with board and senior management roles in various E&P companies both large and small. He also spent 15 years with ABN AMRO Bank in Europe, Africa, and the Middle East. The majority of his time with ABN AMRO was spent in the energy group, with a principal focus on financing upstream oil and gas. John is also a member of the Board of Magnora ASA. He has a BA from Hamilton College in New York and a MBA from the Rotterdam School of Management and New York University. He is a British citizen and resides in London, UK.



QAZI QADEER

Chief Financial Officer

Qazi Qadeer, Chief Financial Officer (CFO), is a Chartered Accountant with a Fellow membership of Institute of Chartered Accountants of Pakistan. Qazi joined Panoro at its inception in 2010 as Group Finance Controller. Previously he has worked for PricewaterhouseCoopers in Karachi, Pakistan, and briefly served as Internal audit manager in Pak-Arab Refinery before relocating to London, where he then spent more than five years with Ernst & Young's energy and extractive industry assurance practice, working on various projects for large and small oil & gas and mining companies. He has worked on several high-profile projects including the divestment of BP plc's chemicals business in 2005 and IPO of Gem Diamonds Limited in 2006. He is a British citizen and resides in London, UK.



RICHARD MORTON

Technical Director

Richard Morton, Technical Director, has 30 years of experience in exploration, production, development and management in the oil and gas industry. Originally a highly qualified geophysicist, he has expanded his portfolio of skills progressively into operational and asset management. He has worked in a number of challenging contracting and operating environments, including as Centrica Energy's Exploration Manager for Nigeria. He has been with Panoro Energy since 2008 with responsibilities for project and technical management of Panoro's African exploration and development assets. Richard obtained a B.Sc. in Physics from Essex University in 1989 and went on to complete a M.Sc. in Applied Geophysics from the University of Birmingham the following year. He is a British citizen and resides in London, UK.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

<i>Amounts in USD 000, unless otherwise stated</i>	Note	2024	2023
CONTINUING OPERATIONS			
Oil revenue	3	267,886	217,985
Other revenue	3	17,172	9,491
Total revenues		285,058	227,476
Operating expenses			
Operating costs		(121,045)	(81,301)
Exploration related costs	4.1	-	(433)
General and administrative costs	4	(11,603)	(9,817)
Depreciation and amortisation	9, 10	(54,329)	(39,687)
Acquisition and project related costs	4	(223)	(811)
Exploration costs written off	4.1	(464)	-
Share based payments	18	(1,999)	(1,840)
Total operating expenses		(189,663)	(133,889)
Operating profit		95,395	93,587
Gain on reassessment of contingent consideration	17	3,922	-
Net foreign exchange gain / (loss)		(80)	(61)
Unrealised gain / (loss) on commodity hedges	5	-	(133)
Realised gain / (loss) on commodity hedges	5	(315)	(595)
Interest income	5	143	81
Interest costs	5	(16,630)	(13,019)
Realised (gain) / loss on listed equity instruments	5	-	(101)
Unrealised (gain) / loss on listed equity instruments	5	(6)	75
Other financial costs	5	(4,201)	(5,492)
Profit before income taxes		78,228	74,342
Income tax expense	7	(17,550)	(40,965)
Net profit from continuing operations		60,678	33,377
Total comprehensive income attributable to shareholders of the company		60,678	33,377
Net income for the period attributable to:			
Equity holders of the parent		60,678	33,377
Total comprehensive income for the period attributable to:			
Equity holders of the parent		60,678	33,377
EARNINGS PER SHARE attributable to equity holders of the parent			
Basic EPS on profit for the period (USD)	8	0.52	0.29
Diluted EPS on profit for the period (USD)	8	0.52	0.28

The annexed notes form an integral part of these financial statements.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

<i>USD 000</i>	Note	2024	2023
ASSETS			
Non-current assets			
Production rights	9	162,272	181,559
Licenses and exploration assets	9	19,862	10,311
Investment in associates and joint ventures		44	44
Investment in Venture Capital Funds	11	405	-
Goodwill	9, 14	52,124	52,124
Production assets and equipment	10	241,415	175,067
Development assets	9	85,975	83,090
Property, furniture, fixtures and office equipment	10	208	337
Other non-current assets		137	143
Total Non-current assets		562,442	502,675
Current assets			
Crude Oil Inventory		10,098	18,514
Materials Inventory		31,562	32,021
Trade and other receivables	12	38,586	31,350
Cash and cash equivalents	13	72,868	27,821
Total current assets		153,114	109,706
Total Assets		715,556	612,381



CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CONTINUED AS AT 31 DECEMBER

<i>USD 000</i>	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
Share capital	16	738	738
Share premium	16	415,647	433,969
Treasury Shares	16	(4,348)	-
Additional paid-in capital	16	122,105	122,039
Total paid-in equity		534,142	556,746
Other reserves	16	(43,408)	(43,408)
Retained earnings		(216,621)	(277,299)
Total equity attributable to shareholders of the parent		274,113	236,039
Non-current liabilities			
Decommissioning liability	15	143,653	129,111
Secured Loans	5	146,488	43,418
Licence and Contingent Obligations	6	30	6,827
Other non-current liabilities	17	25,939	8,852
Deferred tax liabilities	7	62,239	72,883
Total Non-current liabilities		378,349	261,091
Accounts payable, accruals and other liabilities	17	28,583	25,543
Secured Loans - current portion	5	(553)	26,071
Licence and Contingent Obligations - current portion	6	5,444	1,944
Other current liabilities	17	5,083	3,532
Oil revenue advances	5	-	23,780
Corporation tax liability	7	24,537	34,381
Total current liabilities		63,094	115,251
Total Equity and Liabilities		715,556	612,381

The annexed notes form an integral part of these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER

USD 000	Note	Attributable to equity holders of the parent							Total
		Issued capital	Share premium	Treasury shares	Additional paid-in capital	Retained earnings	Other reserves	Currency translation reserve	
At 1 January 2024		738	433,969	-	122,039	(277,299)	(37,647)	(5,761)	236,039
Net income/(loss) for the period - continuing operations		-	-	-	-	60,678	-	-	60,678
Other comprehensive income/(loss)		-	-	-	-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	60,678	-	-	60,678
Buyback of own shares		-	-	(4,348)	-	-	-	-	(4,348)
Employee share options charge/(benefit)	18	-	-	-	1,994	-	-	-	1,994
Settlement of RSUs	18	-	-	-	(1,928)	-	-	-	(1,928)
Distributions to shareholders		-	(18,322)	-	-	-	-	-	(18,322)
At 31 December 2024		738	415,647	(4,348)	122,105	(216,621)	(37,647)	(5,761)	274,113

USD 000	Note	Attributable to equity holders of the parent							Total
		Issued capital	Share premium	Treasury shares	Additional paid-in capital	Retained earnings	Other reserves	Currency translation reserve	
At 1 January 2023		723	428,503	-	121,834	(301,149)	(37,647)	(5,761)	206,503
Net income/(loss) for the period - continuing operations		-	-	-	-	33,377	-	-	33,377
Other comprehensive income/(loss)		-	-	-	-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	33,377	-	-	33,377
Share issue for business combination	14	14	8,319	-	-	-	-	-	8,333
Share issue under RSU plan		1	791	-	-	-	-	-	792
Employee share options charge/(benefit)	18	-	-	-	1,840	-	-	-	1,840
Settlement of RSUs	18	-	-	-	(1,635)	-	-	-	(1,635)
Dividends and distribution to shareholders		-	(3,644)	-	-	(9,527)	-	-	(13,171)
At 31 December 2023		738	433,969	-	122,039	(277,299)	(37,647)	(5,761)	236,039

The annexed notes form an integral part of these financial statements.



CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER

USD 000	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net (loss)/income for the period before tax		78,228	74,342
ADJUSTED FOR:			
Depreciation	4	54,329	39,687
Exploration related costs and Operator G&A		-	433
Loss/(gain) on commodity hedges		315	728
Net finance costs		12,556	18,801
Share-based payments	18	1,999	1,840
Foreign exchange loss/(gain)		-	(142)
Increase/(decrease) in trade and other payables		1,393	5,574
(Increase)/decrease in trade and other receivables		(7,236)	10,801
(Increase)/decrease in inventories		8,875	(22,067)
State share of profit oil	7	(17,057)	(10,885)
Taxes paid		(20,981)	(39,259)
Net cash (out)/inflow from operations		112,421	79,853
CASH FLOW FROM INVESTING ACTIVITIES			
Cash outflow related to acquisitions	14	(5,358)	(4,848)
Proceeds from sale of business - listed equity investments		-	316
Proceeds on sale of listed equity investments		-	26
Interest income		143	81
Net cash acquired at acquisition(s)	14	-	1,881
Investment in exploration, production and other assets		(103,082)	(67,813)
Investment in Venture Capital Funds		(405)	-
Net cash (out)/inflow from investing activities		(108,702)	(70,357)
CASH FLOW FROM FINANCING ACTIVITIES			
Gross proceeds from loans and borrowings	5	180,000	15,000
Sale and leaseback arrangement proceeds		25,856	-
Repayment of non-recourse loan		-	(653)
Repayment of Secured Loans	5	(100,627)	(25,450)
Commodity hedges - cash payments		(315)	(595)
Borrowing costs, including arrangement fees		(14,963)	(12,042)
Share buyback		(4,348)	-
Cash distribution to shareholders		(18,322)	(13,171)
Cash cost of equity issue on settlement of RSUs		(1,933)	(843)
Lease liability payments	22	(240)	(371)
Oil revenue advances drawn down		54,600	88,580
Oil revenue advances repaid		(78,380)	(64,800)
Net cash (out)/inflow from financing activities		41,328	(14,345)
Change in cash and cash equivalents during the period		45,047	(4,849)
Cash and cash equivalents at the beginning of the period		27,821	32,670
Cash and cash equivalents at the end of the period		72,868	27,821

The annexed notes form an integral part of these financial statements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: CORPORATE INFORMATION

The parent company, Panoro Energy ASA ("the Company"), was incorporated on 28 April 2009 as a public limited company under the Norwegian Public Limited Companies Act. The registered organisation number of the Company is 994 051 067 and its registered office is c/o Advokatfirmaet Schjødt AS, Tordenskiolds gate 12, P.O. Box 2444 Solli, 0201 Oslo, Norway.

The Company and its subsidiaries ("Panoro" or the "Group") are engaged in the exploration and production of oil and gas resources in North, West and Southern Africa. The consolidated financial statements of the Group for the year ended 31 December 2024 were authorised for issue by the Board of Directors on 24 April 2025.

The Company regularly evaluates its financial position, cash flow forecasts and its compliance with financial covenants by considering multiple combinations of oil and gas prices, production volumes, and operational spend scenarios. As required under the Norwegian Accounting Act, the Company's Board of Directors conducted a review of the going concern assumption considering all relevant information available up to the date the Panoro consolidated and Company accounts are issued and taking into account all available information about the future covering at least 12 months from the end of the reporting period. The Board of Directors' review included, in particular, assessment of the Group's projected cash reserves and access to financing arrangements, debt maturities, operational outlook and work programs, while maintaining appropriate headroom in respect of sound equity, liquidity and financial covenant compliance throughout the assessment period. Following its review, the Board of Directors confirmed, pursuant to the Norwegian Accounting Act section 3-3a, that the requirements of the going concern assumption are met and that these financial statements have been prepared on that basis.

The Company's shares are traded on the Oslo Stock Exchange under the ticker symbol PEN. The Company's corporate bond is listed on Nordic Alternative Bond Market with ticker symbol PEN01.

NOTE 2: BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union ("EU"). The consolidated financial statements are prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The consolidated financial statements are presented in USD, which is the functional currency of Panoro Energy ASA. The amounts in these financial statements have been rounded to the nearest USD thousand unless otherwise stated.

Note 2.1: Changes in significant accounting policies

Standards, amendments to standards, and interpretations of standards, issued but not yet effective, are either not expected to materially impact the Company's consolidated financial statements, or are not expected to be relevant to the Company's consolidated financial statements upon adoption.

Note 2.2: Basis of consolidation

The consolidated financial statements include Panoro Energy ASA and its subsidiaries as of December 31 for each year.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.



All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary
- derecognises the carrying amount of any non-controlling interest (NCI)
- derecognises the cumulative translation differences recognised in equity
- recognises the fair value of the consideration received
- recognises the fair value of any investment retained
- recognises any surplus or deficit in profit or loss
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

The purchase method of accounting is applied for business combinations. The cost of the acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquirer.

If the initial accounting for a business combination can only be determined provisionally, then provisional values are used. However, these provisional values may be adjusted within 12 months from the date of the combination.

Note 2.3: Significant accounting judgments, estimates and assumptions

2.3.1. Estimates and assumptions

The preparation of the financial statements in conformity with IFRS Accounting Standards as adopted by the EU and application of the Group's accounting policies require management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Judgements, estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, significant areas of uncertainty considered by management in preparing the consolidated financial statements are as follows:

Business combinations and goodwill

Acquisitions are accounted for as described in 2.4.3 Business combinations and goodwill

Significant areas requiring judgement, estimate and assumption to apply to establish the appropriate accounting treatment of such acquisitions include fair value of contingent consideration, assessment and appropriate classification of assumed assets and liabilities and recognition of goodwill where fair values cannot reliably be measured.

Hydrocarbon reserve estimates

Hydrocarbon reserves are estimates of the amounts of hydrocarbons that can be economically and legally extracted from the Group's oil and gas properties. The Group estimates its commercial reserves based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the host government under the terms of the Production-Sharing Agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.

The Group estimates and reports hydrocarbon reserves in line with the principles contained in the SPE Petroleum Resources Management Reporting System (PRMS) framework and generally obtains independent evaluations for each asset whenever new information becomes available that materially influences the reported results. As the economic assumptions used may



change and as additional geological information is obtained during the operation of a field, estimates of recoverable reserves may change. Such changes may impact the Group's reported financial position and results, which include:

- The carrying value of exploration and evaluation assets; oil and gas properties; property, plant and equipment; and goodwill may be affected due to changes in estimated future cash flows
- Depreciation and amortisation charges in the statement of profit or loss and other comprehensive income may change where such charges are determined using the UOP method, or where the useful life of the related assets change
- Provisions for decommissioning may change — where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities
- The recognition and carrying value of deferred tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

Risk relating to outbreak of war

The estimation of future oil and gas prices and discount rates is used in determining the recoverable amounts of cash-generating units, individual assets and the Group's asset retirement costs. Risks related to the outbreak of war could result in higher energy prices amid concerns for regional energy shortages, inflationary pressures, and higher interest rates affecting discount rates.

Income and deferred taxes

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction, to the extent that future cash flows and taxable income differ significantly from estimates. The ability of the Group to realise the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

The Group is also subject to taxes under profit sharing contracts which are paid in kind as State share of profit oil. The value assigned to such taxes is subject to estimation, which may be different to the Company's realised oil prices for revenue recognition.

Impairment indicators

The Group assesses each cash-generating unit annually to determine whether an indication of impairment exists. When an indication of impairment exists, a formal estimate of the recoverable amount is made.

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell, or if relevant, a combination of these two models. These calculations require the use of estimates and assumptions. It is reasonably possible that the oil price assumption may change which may then impact the estimated life of the field and may then require a material adjustment to the carrying value of tangible assets. The impacts of energy transition and climate considerations are embedded in the long-term price assumptions. The Group monitors internal and external indicators of impairment relating to its tangible and intangible assets.

Asset retirement obligations

Asset retirement costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its retirement obligation at each reporting date. The ultimate asset retirement costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expenditure can also change, for example in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for asset retirement obligation. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future asset retirement costs required.

Technical risk in development of oil and gas fields

The development of the oil and gas fields, in which the Group has an ownership, is associated with significant technical risk and uncertainty with regards to timing of additional production from new development activities. Risks include, but are not limited to, cost overruns, production disruptions as well as delays compared to initial plans laid out by the operator. Some of





the most important risk factors are related to the determination of reserves, the recoverability of reserves, and the planning of a cost efficient and suitable production method. There are also technical risks present in the production phase that may cause cost overruns, failed investment and destruction of wells and reservoirs.

Estimates have been made after taking into account information available to management and factors in unknown uncertainties as of the date of the balance sheet.

Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

2.3.2. Judgments

In the process of applying the Group's accounting policies, the directors have made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Exploration and evaluation expenditures

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely, from future either exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

Note 2.4: Material accounting policy information

2.4.1 Interests in associated companies and joint arrangements

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Associated companies are those entities in which the Group has significant influence but not control or joint control over the financial and operating policies. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting. Equity accounting involves recording investments in associated companies initially at cost and recognising the Group's share of its associated companies' post-acquisition results and its share of post-acquisition movements in reserves against the carrying amount of the investments. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

Joint arrangements, which are arrangements of which the Group has joint control together with one or more parties, are classified into joint ventures and joint operations. Joint ventures are joint arrangements in which the parties that share control have rights to the net assets of the arrangement. Joint operations are joint arrangements in which the parties that share joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement.

For joint operations, the Group's share of all assets, liabilities, income and expenses is included in the consolidated financial statements. Acquisitions of interests in a joint operation, in which the activity of the joint operation constitutes a business, are accounted for according to the relevant IFRS 3 principles of accounting for business combinations.

On 11 December 2018, the Company entered into a joint arrangement through a shareholder agreement with Beender Petroleum Tunisia Limited ("Beender"), whereby Panoro and Beender jointly own and control 60% and 40% respectively of Sfax Petroleum Corporation AS ("Sfax"). Sfax, through its subsidiaries holds 100% shares of Panoro Tunisia Production AS ("PTP") and Panoro Tunisia Exploration AS ("PTE"). As such, the arrangement is a joint operation and all numbers and volume information relating to the Company's Tunisian operations and transactions represents the Group's 60% interest, unless otherwise stated.



On 24 April 2023 (the "Completion Date"), Panoro acquired Beender's 40% of the shares of Sfax and as a result of the transaction, Sfax became a wholly owned subsidiary of Panoro. The Tunisian operations were accounted for at 60% as outlined above up to the Completion Date and as a fully owned subsidiary at 100% thereafter. Further details can be found in Note 14: Business Combinations.

Joint operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement.

In relation to its interests in joint operations, the Group recognises its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Expenses, including its share of any expenses incurred jointly

Reimbursement of costs of the operator of the joint arrangement

When the Group, acting as an operator or manager of a joint arrangement, receives reimbursement of direct costs recharged to the joint arrangement, such recharges represent reimbursements of costs that the operator incurred as an agent for the joint arrangement and therefore have no effect on profit or loss.

2.4.2 Foreign Currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The functional currency of the Group's subsidiaries and jointly controlled companies incorporated in Gabon, Nigeria, Cyprus, Netherlands, Norway, Austria and the Cayman Islands is the US dollar ('USD').

In the consolidated financial statements, the assets and liabilities of non-USD functional currency balances are translated into USD at the rate of exchange ruling at the balance sheet date. The results and cash flows of non-USD functional currency subsidiaries are translated into USD using applicable average rates as an approximation for the exchange rates prevailing at the dates of the different transactions. Foreign exchange adjustments arising when the opening net assets and the profits for the year retained by non-USD functional currency subsidiaries are translated into USD are taken to a separate component of equity.

The foreign exchange rates applied were:

	2024		2023	
	Average rate	Reporting date rate	Average rate	Reporting date rate
Norwegian Kroner / USD	10.7582	11.3578	10.5614	10.1566
USD / British Pound Sterling	1.2779	1.2529	1.2436	1.2747
USD / Tunisian Dinar	3.0972	3.0650	3.1069	3.0657

Transactions in foreign currencies are initially recorded at the functional currency spot rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the spot exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.4.3 Business combinations and goodwill

In order to consider an acquisition as a business combination, the acquired asset or groups of assets must constitute a business (an integrated set of operations and assets conducted and managed for the purpose of providing a return to the investors). The combination consists of inputs and processes applied to these inputs that have the ability to create output. Acquired businesses are included in the financial statements from the transaction date. The transaction date is defined as the date on which the Group achieves control over the financial and operating assets. This date may differ from the actual date on



which the assets are transferred. Comparative figures are not adjusted for acquired, sold or liquidated businesses. On acquisition of a licence that involves the right to explore for and produce petroleum resources, it is considered in each case whether the acquisition should be treated as a business combination or an asset purchase. Generally, purchases of licences in a development or production phase will be regarded as a business combination. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the Group elects whether to measure NCI in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. Those acquired petroleum reserves and resources that can be reliably measured are recognised separately in the assessment of fair values on acquisition. Other potential reserves, resources and rights, for which fair values cannot be reliably measured, are not recognised separately, but instead are subsumed in goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments* is measured at fair value, with changes in fair value recognised either in the statement of profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS Accounting Standards. Contingent consideration that is classified as equity is not re-measured, and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for NCI over the fair value of the identifiable net assets acquired and liabilities assumed. If the fair value of the identifiable net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), before recognising a gain, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the statement of profit or loss and other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a CGU and part of the operation in that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

2.4.4 License interests, exploration and evaluation assets, and field investments, and depreciation

The Group applies the 'successful efforts' method of accounting for Exploration and Evaluation ('E&E') costs, in accordance with IFRS 6 'Exploration for and Evaluation of Mineral Resources'. E&E expenditure is capitalised when it is considered probable that future economic benefits will be recoverable. Costs that are known at the time of incurrence to fail to meet this criterion are generally charged to expense in the period they are incurred.

E&E expenditure capitalised as intangible assets includes license acquisition costs, and exploration drilling, geological and geophysical costs and any other directly attributable costs.

E&E expenditure, which is not sufficiently related to a specific mineral resource to support capitalisation, is expensed as incurred.

E&E assets are carried forward, until the existence, or otherwise, of commercial reserves have been determined subject to certain limitations including review for indications of impairment. If no reserves are found the costs to drill exploratory wells, including exploratory geological and geophysical costs and costs of carrying and retaining unproved properties, are written off.

Once commercial reserves have been discovered, the carrying value after any impairment loss of the relevant E&E assets is transferred to development tangible and intangible assets. No depreciation and/or amortisation are charged during the exploration and development phase. If however, commercial reserves have not been discovered, the capitalised costs are charged to expense after the conclusion of appraisal activities.



Development assets

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of commercially proven development wells, is capitalised within property, plant and equipment according to nature. When development is completed on a specific field, these costs are transferred to production assets. No depreciation or amortisation is charged during the Exploration and Evaluation phase.

Farm-outs – in the exploration and evaluation phase

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the Group as a gain on disposal.

Development costs

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalised within oil and gas properties.

Oil & gas production assets

Development and production assets are accumulated on a cash-generating unit basis and represent the cost of developing the commercial reserves discovered and bringing them into production together with E&E expenditures incurred in finding commercial reserves transferred from intangible E&E assets as outlined in accounting policy above.

The cost of development and production assets also includes the cost of acquisitions and purchases of such assets, directly attributable overheads and the cost of recognising provisions for future restoration and decommissioning.

Where major and identifiable parts of the production assets have different useful lives, they are accounted for as separate items of property, plant and equipment. Costs of minor repairs and maintenance are expensed as incurred.

Depreciation/amortisation

Oil and gas properties are not depleted until production commences. Costs relating to each single field cost centre are depleted on a unit of production method based on the commercial proved and probable reserves for that cost centre. The depletion calculation takes account of the estimated future costs of development of management's assessment of proved and probable reserves, reflecting risks applicable to the specific assets. Changes in reserve quantities and cost estimates are recognised prospectively from the last reporting date.

Field infrastructure exceeding beyond the life of the field is depreciated over the useful life of the infrastructure using a straight-line method.

Depreciation/amortisation on assets held for sale is ceased from the date of such classification.

Impairment – exploration and evaluation assets

E&E assets are assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount and when they are reclassified to PP&E assets. For the purpose of impairment testing, E&E assets are grouped by concession or field with other E&E and PP&E assets belonging to the same CGU. The impairment loss will be calculated as the excess of the carrying value over recoverable amount of the E&E impairment grouping and any resulting impairment loss is recognised in profit or loss. The recoverable amount of a CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. Fair value less costs to sell is generally computed by reference to the present value of the future cash flows expected to be derived from production of proved and probable reserves.

Impairment – proved oil and gas production properties and intangible assets

Proven oil and gas properties and intangible assets are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The carrying value is compared against the expected recoverable amount of the asset, generally by net present value of the future net cash flows, expected to be derived from



production of commercial reserves or consideration expected to be achieved through the sale of its interest in an arms-length transaction, less any associated costs to sell. The cash generating unit applied for impairment test purposes is generally the field, except that a number of field interests may be grouped together where there are common facilities.

Climate considerations in impairment assessment

Climate change and transition to a lower carbon economy is considered in the impairment assessments. In the context of assessing the potential impact on the book values related to the Group's oil and gas assets, certain climate considerations are factored into the Group's estimation of cash flows that are applied in the calculation of recoverable amount. This includes factoring in current legislation in jurisdictions where the Group has operations and estimation of future levels of environmental taxes, if any. An energy transition is likely to impact the future oil and gas prices which in turn may affect the recoverable amount of the oil and gas assets. Indirectly, climate considerations are also assessed in the forecasting of oil and gas prices where supply and demand are considered. A significant reduction in the Company's oil and gas price assumptions would result in impairments on certain production and development assets including intangible assets that are subject to impairment assessment under IAS 36, but an opposite revision in the price assumptions would lead to limited impairment reversals as most of the impairments recognized were related to impairment of goodwill which cannot be reversed under IFRS Accounting Standards.

In the context of testing robustness of the oil and gas assets against the scenarios from the International Energy Agency (IEA), the Company has applied the Net Zero Emissions Scenario, Stated Policies Scenario and Sustainable Development Scenario as published by the IEA as part of the World Energy Outlook (WEO) reports. These scenarios are commonly applied by peer companies and the Company believes are useful to investors and other stakeholders in assessing portfolio resilience across companies in the industry. For more details, see Note 10.2: Impairment in Oil and Gas Interests.

2.4.5 Financial instruments

2.4.5.1 Derivative financial instruments and hedge accounting

The Group enters into derivative financial instruments including zero cost collars and commodity swaps to manage its exposure to volatility in the commodity prices realised for a proportion of its crude oil production. All derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each period end. Apart from those derivatives designated as qualifying cash flow hedging instruments, all changes in fair value are recorded as financial income or expense in the year in which they arise, otherwise they are recognised in other comprehensive income.

For derivatives not designed as qualifying for cash flow hedging, the fair value at balance sheet date is based on fair value provided by the counterparties with whom the trades have been entered into. The derivatives are valued using a Black-Scholes based methodology. The inputs to these valuations include price of oil and its volatility. Fair value is the amount for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques such as option pricing models and estimated discounted values of cash flows.

2.4.5.2 Financial assets

Financial assets are recognised initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification, as set out below. The group derecognises financial assets when the contractual rights to the cash flows expire or the financial asset is transferred to a third party. This includes the derecognition of receivables for which discounting arrangements are entered into. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortised cost

Financial assets are classified as measured at amortised cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired and when interest is recognised using the effective interest method. This category of financial assets includes trade and other receivables.



Financial assets measured at fair value through profit or loss

Financial assets are classified as measured at fair value through profit or loss when the asset does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income. Such assets are carried on the balance sheet at fair value with gains or losses recognised in the income statement. Derivatives and listed equity investments, other than those designated as effective hedging instruments, are included in this category. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

Cash equivalents

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and generally have a maturity of three months or less from the date of acquisition. Cash equivalents are classified as financial assets measured at amortised cost.

Impairment of financial assets measured at amortised cost

The group assesses on a forward-looking basis the expected credit losses associated with financial assets classified as measured at amortised cost at each balance sheet date. Expected credit losses are measured based on the maximum contractual period over which the group is exposed to credit risk. Since this is typically less than 12 months there is no significant difference between the measurement of 12-month and lifetime expected credit losses for the group's in-scope financial assets. The measurement of expected credit losses is a function of the probability of default, loss given default and exposure at default. The expected credit loss is estimated as the difference between the asset's carrying amount and the present value of the future cash flows the group expects to receive discounted at the financial asset's original effective interest rate. The carrying amount of the asset is adjusted, with the amount of the impairment gain or loss recognised in the income statement. A financial asset or group of financial assets classified as measured at amortised cost is considered to be credit-impaired if there is reasonable and supportable evidence that one or more events that have a detrimental impact on the estimated future cash flows of the financial asset (or group of financial assets) have occurred. Financial assets are written off where the group has no reasonable expectation of recovering amounts due.

2.4.5.3 Financial liabilities

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities measured at fair value through profit or loss

Financial liabilities that meet the definition of held for trading are classified as measured at fair value through profit or loss. Such liabilities are carried on the balance sheet at fair value with gains or losses recognised in the income statement. Derivatives, other than those designated as effective hedging instruments, are included in this category.

Financial liabilities measured at amortised cost

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. This category of financial liabilities includes trade and other payables and finance debt.

2.4.6 Fair value measurement and hierarchy

The Group measures derivatives at fair value at each balance sheet date and, for the purposes of impairment testing, uses fair value less costs of disposal to determine the recoverable amount of some of its non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly or indirectly; and
- Level 3: fair value measurements are those derived from valuation techniques which include inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.4.7 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is recognised through profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as interest expense. The present obligation under onerous contracts is recognised as a provision.

2.4.8 Asset retirement obligation

An asset retirement liability is recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the obligation is also recognised as part of the cost of the related production plant and equipment. The amount recognised in the estimated cost of asset retirement, discounted to its present value. Changes in the estimated timing of asset retirement or asset retirement cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to production plant and equipment. The unwinding of the discount on the asset retirement provision is included as a finance cost.

2.4.9 Income tax

Income tax expense represents the sum of the tax currently payable and movement in deferred tax.

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations which applicable tax regulations are subject to interpretation and established provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:



- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affect neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences; carry forward to unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associate with investments in subsidiaries, associate and interest in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances arose. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it occurred during the measurement period or in profit or loss.

Production-sharing arrangements

According to the production-sharing arrangement (PSA) in certain licenses, the share of the profit oil to which the government is entitled in any calendar year in accordance with the PSA is deemed to include a portion representing the corporate income tax imposed upon and due by the Group. This amount will be paid directly by the government on behalf of Group to the appropriate tax authorities. This portion of income tax and revenue are presented separately in income statement.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

Sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable if the sales tax incurred on a purchase of assets or services is not recoverable from taxation authorities.

Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, taxation authorities is included as part of receivables or payables in the statement of financial position.

2.4.10 Revenue recognition

Revenue from petroleum products

Revenue from the sale of crude oil is recognised when a customer obtains control ("sales" or "lifting" method), normally this is when title passes at point of delivery. Revenues from production of oil properties are recognised based on actual volumes lifted and sold to customers during the period. Where the Group has lifted and sold more than the ownership interest, an accrual is recognised for the cost of the overlift. Where the Group has lifted and sold less than the ownership interest, costs are deferred for the underlift. Overlift and underlift on the Consolidated statement of financial position date are valued at



production costs. Lifting imbalances are a part of the operating cycle and as such classified as other current liabilities/assets. Under a production sharing contract, where the group is required to pay profit oil tax on production of crude oil, such payment can either be settled (i) in kind (where the government lift the crude it is entitled to); or (ii) in cash (where the Group sells the crude and pays the taxes in cash). The group presents a gross-up of the profit oil tax as an income tax expense with a corresponding increase in oil and gas revenues.

Interest income and financial instruments measured at amortised cost

Interest income is recognised on an accruals basis. For all financial instruments measured at amortised cost and interest-bearing financial assets measured at fair value through profit and loss, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest revenue is included in finance income in income statement.

2.4.11 Inventories

Inventories, consisting of crude oil, and drilling and maintenance materials, are stated at the lower of cost and net realisable value. Costs comprise costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily inter-changeable items.

2.4.12 Share-based payment transactions

Employees (including senior executives) of the Group may receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is recognised, together with a corresponding increase in additional paid in capital reserve in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in share-based payments expense.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting are conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.4.13 Impairment of non-oil and gas interests

Non-financial assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is assessed for impairment on an annual basis. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). Non-financial assets that were previously impaired are reviewed for possible reversal of the impairment at each reporting date.



An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the asset's recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the income statement. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Financial assets

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date, any subsequent reversal of an impairment loss is recognised in the income statement.

2.4.14 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is either:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current.

A liability is current when either:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.



Note 2.5: New and amended standards and interpretations

No standard amendments or interpretations of standards effective as of 1 January 2024 and adopted by Panoro, were material to the Group's Consolidated financial statements upon adoption.

Note 2.6: Standards issued but not yet effective

In April 2024, the IASB issued IFRS 18, which will replace IAS 1 effective from 1 January 2027. The new standard introduces several key requirements:

- Entities must classify all income and expenses into five categories in the Consolidated Statement of Income: operating, investing, financing, income taxes, and discontinued operations.
- A newly-defined operating profit subtotal must be presented.
- Management-defined performance measures (MPMs) are to be disclosed in a single note to the financial statements.
- Enhanced guidance for aggregating and disaggregating information in financial statements.
- Additionally, entities are required to use the operating profit subtotal as the starting point for the Consolidated Statement of Cash Flows when presenting cash flows provided by operating activities under the indirect method.

IFRS 18 applies retrospectively and allows for earlier application if disclosed. The Group is currently evaluating the impact of IFRS 18 on its financial statements.

NOTE 3: OPERATING SEGMENTS

The Group operated predominantly in four business segments being the exploration and production of oil and gas in Equatorial Guinea, Gabon, Tunisia and South Africa.

The Group's reportable segments, for both management and financial reporting purposes, are as follows:

- The Equatorial Guinea segment holds:
 - Block G, consisting of the Ceiba Field and Okume Complex in which the Group owns a 14.25% working interest.
 - Exploration blocks S, EG-01 and EG-23 in which the Group owns working interests of 12%, 56% and 80% respectively.
- The Gabon segment holds the Dussafu licence representing the Group's 17.4997% working interest in the Dussafu Marin exploration licence in Gabon, and the 25% working interest in the Niosi and Guduma licenses
- The Tunisia segment holds the following assets:
 - Sfax Offshore Exploration Permit: Panoro Tunisia Exploration AS (Operator, 87.5% interest net to Panoro (2022: 52.5%*)), under relinquishment
 - The Hammamet Offshore Exploration Permit: Medco (Operator), Panoro Tunisia Exploration AS (46% interest net to Panoro (2022: 27.6%*)), under relinquishment
 - TPS Assets: ETAP, 51% and Panoro TPS (UK) Production Limited, 49% (2022: 29.4%* interest net to Panoro).

* Figures represent net participation interest in proportion to Panoro's equity holding in Sfax Petroleum Corporation AS ("Sfax") before the acquisition of the remaining 40% interest in Sfax described in Note 14: Business Combinations.
- The 'South Africa' segment holds 100% interest in Exploration Right 376, South African Karoo region.
- The 'Corporate and others' category consists of head office and service company operations that are not directly attributable to the other segments. Further, it also includes the residual corporate business in Brazil which is expected to be dormant in the foreseeable future.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on capital and general expenditure.



Details of Group segments are reported below:

2024

<i>USD 000</i>	Equatorial Guinea	Gabon	Tunisia	South Africa	Corporate	Total
Revenue (net) *	101,424	149,926	33,708	-	-	285,058
EBITDA **	48,497	94,386	17,316	(173)	(7,839)	152,187
Depreciation	(21,776)	(25,246)	(7,097)	-	(210)	(54,329)
Impairment (charge)/reversal	-	-	-	-	-	-
Exploration costs written off	-	-	(464)	-	-	(464)
Segment assets	298,163	277,129	94,331	153	45,780	715,556
Additions to licences, production, E&E and development assets ***	62,280	44,637	(3,941)	-	-	102,976

2023

<i>USD 000</i>	Equatorial Guinea	Gabon	Tunisia	South Africa	Corporate	Total
Revenue (net) *	110,843	71,270	45,363	-	-	227,476
EBITDA **	69,204	43,672	27,764	(695)	(4,831)	135,114
Depreciation	(15,280)	(17,684)	(6,463)	-	(260)	(39,687)
Impairment (charge)/reversal	-	-	-	-	-	-
Segment assets	243,174	257,906	74,349	151	36,801	612,381
Additions to licences, production, E&E and development assets ***	20,942	45,239	36,958	-	-	103,139

* Gabon revenue increases due to new wells coming online leading to higher production, coupled with more frequent liftings. Revenue excludes any intercompany revenue.

** Lower EBITDA in Equatorial Guinea is a result of lower average realised oil prices for 2024 compared to 2023 and a higher operating expense burden. Non-recurring insurance claim payouts further reduced operating expense levels in 2023.

*** Excludes effect on production assets and equipment of the reassessment of decommissioning liabilities of USD 10.6 million (2023: USD 11.6 million), refer to Note 15: Asset Retirement Obligation. Includes additions from acquisitions in 2023 of USD 11.8 million, see Note 14: Business Combinations.

Revenue from major sources from continuing operations:

<i>USD 000</i>	2024	2023
Oil revenue (net)	267,886	217,985
Other revenue	17,172	9,491
Total revenue	285,058	227,476

There are no differences in the nature of measurement methods used on segment level compared with the consolidated financial statements. The oil revenue from continuing operations relates to sale of hydrocarbons from three assets, Block G in Equatorial Guinea, Dussafu in Gabon and TPS in Tunisia. The Group has local obligations in Tunisia and 20% of produced volumes are sold to the Tunisian State Oil Company, Entreprise Tunisienne D' Activites Petrolieres (ETAP) in order to fulfil the Group's domestic market obligations. All sales in 2024 from the Group's production arose from three key customers.

Other revenue consists of estimated State profit oil of USD 17 million (2023: USD 10.9 million) with a corresponding amount as income tax (see Note 2.4.9 Income tax) and the trading profit of domestic market obligation transactions of USD 0.1 million (2023: loss of USD 1.4 million) consisting of cost of crude oil bought in at a cost of USD 10 million offset by the sale of this oil for USD 10.1 million. State profit oil and domestic market obligations are conditions specified under the terms of the Dussafu PSC.



As summary of the licence interests are as follows:

Licence area	Panoro's interest	Country	Expiry of current phase
Block G	15%	Equatorial Guinea	December 2040
Dussafu Marin permit*	17.4997%	Gabon	September 2028*
Sfax Offshore Exploration Permit	87.5% (Operator)	Tunisia	Under relinquishment
Hammamet Offshore Exploration Permit	46%	Tunisia	Under relinquishment
Block S	12%	Equatorial Guinea	December 2025
Block EG-01	56% (Operator)	Equatorial Guinea	February 2026
TCP 12/2/218 ***	100% (Operator)	South Africa	June 2023
Block EG-23	80% (Operator)	Equatorial Guinea	March 2028
Niosi Marin permit	25.0%	Gabon	March 2030
Guduma Marin permit	25.0%	Gabon	March 2028

TPS Assets:

Cercina **			February 2024
Cercina South			November 2034
Gremda / El Ain	49.0%	Tunisia	December 2034
Guebiba			June 2033
Rhemoura **			January 2023

* The Ruche area Exclusive Exploitation Authorisation ("EEA") under the Dussafu Marin PSC is effective from commencement of production for a period of 10 years. If, at the end of this ten-year term commercial exploitation is still possible from the Ruche area, the EEA shall be renewed at the contractor's request for a further period of five years. Subsequent to this, the EEA may be renewed a second time for a further period of five years.

** In process of being renewed.

*** In process of conversion to ER 376.

NOTE 4: OPERATING RESULT

Operating profit is stated after charging:

USD 000	Note	2024	2023
Employee benefits expense		6,387	6,067
Depreciation	8, 9	54,329	39,687
Acquisition and project related costs (i)		223	811

(i) Acquisition and project related costs relate to business development activities.

Note 4.1: Exploration related costs

Exploration costs written off amounting to USD 0.5 million relate to the expiry of SOEP at the end of 2024.

Non-capitalisable exploration costs of USD 0.4 million was incurred during 2023. The Company was awarded a 56% participating interest (70% cost bearing) and operatorship of Block EG-01, offshore Equatorial Guinea and farmed-in to the Kosmos Energy operated Block S offshore Equatorial Guinea with a 12% non-operated interest. Costs incurred on these new interests are capitalised as exploration assets.



Note 4.2: Employee benefit expenses

General and administrative expenses include wages, employer's contribution and other compensation as detailed below:

USD 000	2024	2023
Salaries	5,191	4,843
Employers' contribution	640	640
Pension costs	335	280
Other compensation	221	304
Total	6,387	6,067

The number of employees in the Group as at year end is detailed below:

	2024	2023
Number of employees	29	24

The number of employees does not include temporary contract staff and personnel employed by joint ventures where the group is participating as non-operated partner.

Note 4.3: Board of Directors statement on remuneration of executives

Statement for the current year (2024)

In accordance with the Norwegian Public Limited Liability Companies Act §6-16a, the Board of Directors must prepare a statement on remuneration of executives. These statements can be referred to on page 97 of this report.



Note 4.4: Management remuneration

Executive management consists of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) as described below. Executive management remuneration is summarised below:

2024	Short term benefits					Total	Number of RSUs awarded in 2024	Fair value of RSUs expensed
	Salary	Bonus	Benefits	Pension costs				
<i>USD 000 (unless stated otherwise)</i>								
John Hamilton, CEO	603	198	10	13	824	189,615	563	
Qazi Qadeer, CFO	393	130	5	13	541	93,509	273	
Total	996	328	15	26	1,365	283,124	836	

2023	Short term benefits					Total	Number of RSUs awarded in 2023	Fair value of RSUs expensed
	Salary	Bonus	Benefits	Pension costs				
<i>USD 000 (unless stated otherwise)</i>								
John Hamilton, CEO	534	187	12	11	744	195,419	527	
Qazi Qadeer, CFO	348	123	5	11	487	96,371	239	
Total	882	310	17	22	1,231	291,790	766	

- (i) Under the terms of employment, the CEO and the CFO in general are required to give at least six month's written notice prior to leaving Panoro.
- (ii) Per the respective terms of employment, the CEO is entitled to 12 months of base salary in the event of a change of control; whereby a tender offer is made or consummated for the ownership of more than 50% or more of the outstanding voting securities of the Company; or the Company is merged or consolidated with another corporation and as a result of such merger or consolidation less than 50.1% of the outstanding voting securities of the surviving entity or resulting corporation are owned in the aggregate by the persons, by the entities or persons who were shareholders of the Company immediately prior to such merger or consolidation; or the Company sells substantially all of its assets to another corporation that is not a wholly owned subsidiary. The CFO is entitled to 6 months of base salary in the event of a change of control.
- (iii) In June 2024, 640,032 Restricted Share Units were awarded under and in accordance with the Company's RSU scheme to the employees of the Company under the long-term incentive compensation plan approved by the shareholders. One Restricted Share Unit ("RSU") entitles the holder to receive one share of capital stock of the Company against payment in cash of the par value for the share. The par value is currently NOK 0.05 per share. Vesting of the RSUs is time based, where 1/3 of the RSUs vest after one year, 1/3 vest after 2 years, and the final 1/3 vest after 3 years from grant. The Board of Directors, at its discretion can grant a non-standard vesting period which was the case in some prior year awards. RSUs vest automatically at the respective vesting dates and the holder will be issued the applicable number of shares as soon as possible thereafter.
- (iv) All salaries, bonuses and benefit payments have been expensed as incurred.
- (v) All bonuses were approved by the Board of Directors.

Refer to Note 18: Share based payments for further information on the Restricted Share Units scheme.



Note 4.5: Board of Directors remuneration

The remuneration of the members of the Board is determined on a yearly basis by the Company at its Annual General Meeting. The directors may also be reimbursed for, inter alia, travelling, hotel and other expenses incurred by them in attending meetings of the directors or in connection with the business of Panoro Energy ASA. A director who has been given a special assignment, besides his/her normal duties as a director of the Board, in relation to the business of Panoro Energy ASA may be paid such extra remuneration as the directors may determine.

Remuneration to members of the Board of Directors is summarised below:

2024	Short term benefits		
	Directors remuneration	Number of share options awarded in 2024	Fair value of share options expensed
<i>USD 000 (unless stated otherwise)</i>			
Julien Balkany (Chairman of the Board of Directors)	106	-	2
Torstein Sanness (Deputy Chairman of the Board of Directors)	76	-	1
Alexandra Herger	66	-	1
Garrett Soden	69	-	1
Gunnvor Ellingsen	69	-	8
Former directors *	-	-	7
Total	386	-	20

2023	Short term benefits		
	Directors remuneration	Number of share options awarded in 2023	Fair value of share options expensed
<i>USD 000 (unless stated otherwise)</i>			
Julien Balkany (Chairman of the Board of Directors)	106	-	9
Torstein Sanness (Deputy Chairman of the Board of Directors)	74	-	5
Grace Reksten Skaugen (stepped down during the year)	25	-	11
Alexandra Herger	66	-	5
Hilde Ådland (stepped down during the year)	24	-	6
Garrett Soden	67	-	5
Gunnvor Ellingsen	43	24,000	6
Total	405	24,000	47

* Fair value of share options expensed during the year relate to former directors Grace Reksten Skaugen and Hilde Ådland.

The Chairman of the Board of Directors' annual remuneration is USD 88,000 and the annual remuneration for the Deputy Chairman of the Board is USD 55,000. The remaining Directors' annual remuneration is USD 48,000. Members of the Audit Committee, the Remuneration Committee and the Sustainability Committee each receive USD 6,000 annually per committee, whereas the Chairman of each committee receives USD 9,000 annually. No loans have been given to, or guarantees given on the behalf of, any members of the Management Group, the Board or other elected corporate bodies.

Note 4.6: Pension plan

The Company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("Lov om obligatorisk tjenestepensjon"). The Company contributes to an external defined contribution scheme and therefore no pension liability is recognised in the statement of financial position. As of 31 December 2024, the Company had no employees at parent company level and this pension plan is no longer in operation (31 December 2023: Nil).

In the UK, the Company's subsidiary that employs staff, contributes a fixed amount per Company policy in an external defined contribution scheme. As such, no pension liability is recognised in the statement of financial position in relation to the Company's London based employees. No occupational pension scheme is mandated in Tunisia. Companies are required to pay a fixed percentage of gross salary of each employee as "social security" to the government authorities, in addition to a fixed deduction from gross monthly salary as employee contribution. As such, no pension liability is recognised in the



statement of financial position for these deductions. For contributions made to the external defined scheme 2024 and 2023, refer to Note 4.2: Employee benefit expenses.

Note 4.7: Auditors' remuneration

Fees, excluding VAT, to the auditors are included in general and administrative expense and are shown below:

USD 000	2024	2023
Ernst & Young		
Statutory Audit	291	272
Total Audit Services	291	272
Non-audit Services	-	-
Total	291	272

NOTE 5: FINANCE, INTEREST AND OTHER INCOME AND EXPENSE

USD 000	Note	2024	2023
Unrealised (gain)/loss on commodity hedges	20	-	133
Realised (gain)/loss on commodity hedges	20	315	595
Interest income from placements and deposits		(143)	(81)
Interest expense - Loans and borrowings		16,630	11,604
Unrealised gain/loss on listed equity investments	12	-	(75)
Realised gain/loss on listed equity investments	12	-	101
Unrealised gain/loss on other investments	12	6	-
Other financial costs - Bank charges and ARO unwinding		4,201	6,907
Total - Net (income) / expense		21,009	19,184

Note 5.1: Loans and borrowings

Note 5.1.1 Senior Secured Bond

Current and non-current portion of the outstanding balance of the Senior Secured Bond as of the date of the statement of financial position is as follows:

USD 000	31 December 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Senior Secured Bond						
Principal outstanding	-	150,000	150,000	-	-	-
Accumulated interest accrued	854	-	854	-	-	-
Unamortised borrowing costs	(1,407)	(3,512)	(4,919)	-	-	-
	(553)	146,488	145,935	-	-	-

On 27 November 2024, the Company issued a 5-year Senior Secured Bond of USD 150 million at 99.2% of nominal value with a coupon rate of 10.25%. Proceeds of the bond issue were received on 19 December 2024 and used in part to fully repay the principal and accrued interest amount outstanding under the Senior Secured Borrowing Base facility. The Bond is repayable in three annual instalments of USD 25 million starting on 11 December 2026 with the final balance of USD 75 million to be settled on 11 December 2029. Interest is payable twice a year on 11 June and 11 December.

Key financial covenants are required to be tested each quarter. These covenants, applicable at levels of the borrower group as defined in the loan documentation, include the following:



- (i) Leverage ratio (being total net debt to adjusted EBITDA as per defined bond terms) less than 2:1; and
- (ii) Liquidity of higher of USD 15 million or 10% of Total Debt.

The Company was not in breach of any financial covenants as at 31 December 2024. Un-amortised borrowing costs include structuring fees and directly attributable third-party costs. These costs are expensed using an effective interest rate of 11.6% per annum over the remaining term of the facility.

Note 5.1.2 Senior Secured Borrowing Base facility

Current and non-current portion of the outstanding balance of the Senior Secured Borrowing Base facility as of the date of the statement of financial position is as follows:

USD 000	31 December 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Senior Secured Borrowing Base facility						
Principal outstanding	-	-	-	26,420	44,033	70,453
Accumulated interest accrued	-	-	-	-	-	-
Unamortised borrowing costs	-	-	-	(349)	(615)	(964)
	-	-	-	26,071	43,418	69,489

On 29 March 2021, Panoro signed a fully underwritten acquisition finance loan facility of up to USD 90 million arranged by Trafigura, one of the world's leading independent commodity trading and logistics houses, with Mauritius Commercial Bank as mandated lead arranger and facility agent.

The loan was made available in two tranches, Tranche A of up to USD 55 million which was drawn down in full on 30 March 2021 and Tranche B of up to USD 35 million which was drawn down in full on 9 June 2021. The drawn-down amount under the loan amortises over a 5 year term from 31 March 2021 and carries an annual interest rate of USD 3-month LIBOR plus 7.5%.

On 18 April 2023, Panoro finalised an amendment to the Senior Secured Reserve Based Borrowing facility for an additional USD 15.3 million Tranche C funding against the Tunisian TPS assets, USD 15 million was drawn down on completion and the remaining USD 0.3 million utilised to cover arrangement fees. This additional tranche will amortise over the remaining period of the original loan ending on 30 March 2026. As part of the amendment, the annual interest rate for the entire facility was changed from 3-month LIBOR plus 7.5% to 3-month SOFR plus 7.5%.

Panoro successfully concluded a redetermination of the facility during the first quarter, resulting in an increase to borrowing headroom and extension of facility duration by 24 months to 31 March 2028. As a result, the Company made a USD 10 million drawdown under the facility.

A further amendment for an additional USD 20 million was agreed on 7 October and drawn down the next day, secured against the TPS, Block G and Dussafu assets. The interest rate for this tranche was 3-month SOFR plus 10.5% per annum.

This facility was cancelled in December 2024 and repaid in full using a portion of the issue proceeds of the issue of the Senior Secured Bond in Note 5.1.1 Senior Secured Bond above.

Key financial covenants were tested at 30 September and 31 March and included the following:

- (i) Group Net debt/EBITDA: ≤ 3.0
- (ii) Minimum cash balance of USD 7.0 million to be maintained in the account of the Borrower
- (iii) Field life coverage ratio: 1.5x
- (iv) Loan life coverage ratio: 1.3x
- (v) Group Liquidity Test: 1.2x (Borrower and subsidiaries)

Un-amortised borrowing costs included structuring fees and directly attributable third-party costs. These costs were expensed using an effective interest rate of 16.7% per annum at the repayment date and the remaining balance of USD 1.6 million was written off to the income statement at that time.

The Group has an advance facility of USD 25 million with Trafigura. At 31 December 2024 there were no amounts owing under this facility (31 December: USD 23.8 million). The advance is short term and settled from the upcoming crude liftings proceeds.



Note 5.2: Changes in liabilities with cash flow movements from Financing Activities

The changes in liabilities whose cash flow movements are disclosed as part of financing activities in the cash flow statement are as follows:

USD 000	2024	2023
At 1 January	69,819	79,625
Cash flows:		
Drawdown of Secured Loans, net of fees	180,000	15,000
Repayment of Secured Loans	(100,627)	(25,450)
Repayment of non-recourse loan	-	(653)
Realised gain/(loss) on commodity hedges	(315)	-
Borrowing costs, including arrangement fees	(14,963)	(10,382)
Lease liability payments	(240)	(230)
Non-cash changes:		
Unwinding of unamortised borrowing cost and finance charges	1,628	1,701
Interest accrued	10,435	9,973
Movement in unrealised hedges	315	-
Initial recognition lease under IFRS 16	-	377
Foreign exchange movements	-	(141)
At 31 December	146,052	69,820

NOTE 6: LICENCE AND CONTINGENT OBLIGATIONS

Licence obligations and contingent obligations were acquired by the Group as part of the acquisition of the Tunisian operations from DNO ASA in July 2018 and consist of provisions for deferred consideration and licence obligations as follows:

USD 000	31 December 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-Current	Total
Deferred consideration	-	30	30	-	6,827	6,827
Licence obligations	5,444	-	5,444	1,944	-	1,944
	5,444	30	5,474	1,944	6,827	8,771

Deferred consideration represents the fair value of potential future payments to DNO ASA which may become payable once oil is produced from the Sfax Offshore Exploration Permit. This estimate has been determined using probabilistic outcome of the potential recoverable volumes. The total liability, in any event, is capped at USD 13.2 million.

Licence obligations represent liability recognised in connection with minimum work programs on the Hammamet permit of USD 1.9 million and Salloum Offshore Exploration Permit of USD 3.5 million.

The change in the licence obligations is the result of the expiry of the Sfax Offshore Exploration Permit at the end of 2024 with near-term license obligations falling due within one year. Deferred consideration is no longer application following the relinquishment decision of Sfax Offshore Exploration Permit and has therefore been de-recognised.

NOTE 7: INCOME TAX

Income tax

The major components of income tax in the consolidated statement of comprehensive income related to continuing and discontinued operations were:

USD 000	2024	2023
Income Taxes		
Current income tax (i)	13,527	13,730
PSC based Profit Oil allocation – current (ii)	17,057	10,885
PSC based income tax - current (iii)	750	17,027
Deferred tax expense / (benefit) (iv)	(10,644)	(528)
Tax adjustments relating to prior years income	(3,140)	(149)
Tax charge / (benefit) for the period	17,550	40,965

- (i) Current income tax primarily comprises of tax on income from Tunisian operation.
- (ii) Under the terms of the Dussafu PSC, the estimated value of the State profit oil is reflected in other revenue, with a corresponding amount as income tax. See Note 3: Operating segments.
- (iii) PSC based income tax represents tax on income from Block G. See Note 3: Operating segments.
- (iv) Deferred tax liability recognised has arisen on temporary differences between tax base and accounting base of the production assets in Equatorial Guinea, Gabon and Tunisia and have been calculated using the effective tax rate applicable to the concessions.
- (v) Tax rates in Tunisia vary by permit and concession and ranges between 50% to 60% applicable to the respective concession's taxable income.

A reconciliation of the income tax expense applicable to the accounting profit before tax at the statutory income tax rate to the expense at the Group's effective income tax rate is as follows:

USD 000	2024	2023
Profit / (loss) before taxation	78,228	74,342
Tax calculated at Norwegian tax rate of 22%	17,169	18,553
Adjustments for local tax rates:		
Equatorial Guinea	2,503	6,527
Gabon	7,362	455
Tunisia	4,190	8,118
Other	(37)	12
Tax calculated at domestic tax rates applicable to profits in the respective countries	31,187	33,665
Tax effect of expenses not deductible	(13,196)	(21,212)
Deferred tax adjustment relating to change in tax rates	(16,704)	-
PSC based Profit Oil allocation	17,057	27,912
Tax effect of losses not utilised in the period	2,346	749
Prior year adjustments	(3,140)	(149)
Tax charge / (benefit)	17,550	40,965

Tax Liabilities

Tax liabilities payable of USD 24.5 million as of 31 December 2024 comprised of taxes payable in Equatorial Guinea of USD 18.4 million and Tunisia of USD 5.9 million for production from various concessions and USD 0.2 million in the United Kingdom related to corporate activities (31 December 2023: USD 34.4 million comprised of taxes payable in Equatorial Guinea of USD 21.3 million and Tunisia of USD 13.1 million). Advantage was taken in Tunisia of incentives with a tax value of USD 14.8 million that require investment in government approved projects within four years. During the year, an investment of USD 0.4 million was made via CAPSA Capital Partners in FCPR SWING 3CAPSA, an approved Venture Capital Trust investing in eligible activities.



Deferred tax

Deferred tax benefit of USD 10.6 million recognised during the year comprises USD 13.1 million charge in Equatorial Guinea and a USD 2.6 million benefit in Tunisia arising on taxable temporary differences between accounting and tax bases of property, plant and equipment. In addition, a reduction of deferred tax benefit of USD 16.7 million was recognised as a result of tax rates in Equatorial Guinea reducing from 35% to 25% effective from 1 January 2025. The deferred tax liability of USD 62.2 million as of 31 December 2024 is classified as non-current based on the current expectation of timing of such taxes. These are ring fenced against taxable income from the respective concessions in Equatorial Guinea, Gabon and Tunisia.

There are no recognised deferred tax assets in the Group financial statements as of 31 December 2024 (31 December 2023: Nil).

Deferred tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefits through future taxable profits is probable. The Group did not recognise deferred income tax assets of USD 10.1 million (2023: USD 7.3 million) in respect of losses that can be carried forward against future taxable income.

The Group has provisional accumulated tax losses as of year-end that may be available to offset against future taxable income; all losses are available indefinitely and have been included in the table below.

USD 000	2024	2023
Panoro Energy ASA	12,722	-
Panoro Energy 2B Limited	450	922
Panoro Gabon Exploration Limited	37	11
Sfax Petroleum Corporation	32,373	32,455
Total	45,582	33,388

NOTE 8: BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings or loss per ordinary share amounts are calculated using net profit or loss for the period attributable to ordinary equity holders of the parent divided by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares exclude Treasury shares under the average market price method of calculating basic earnings per share.

Diluted earnings per share amounts are calculated using the net profit attributable to ordinary equity holders of the Company divided by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of dilutive potential ordinary shares into ordinary shares. The dilution effect of 1,379 thousand shares for 2024 (2023: 1,310 thousand shares) are made up of 1,259 thousand shares related to RSUs and 120 thousand shares related to Board members' share options (2023: 1,259 thousand and 121 thousand shares respectively).

Amounts in USD 000, unless otherwise stated	2024	2023
Net profit/(loss) attributable to equity holders	60,678	33,377
Weighted average number of shares outstanding - in thousands	115,813	116,142
Diluted weighted average number of shares outstanding - in thousands	117,192	117,452
Basic earnings/(loss) per share (USD)	0.52	0.29
Diluted earnings/(loss) per share (USD)	0.52	0.28



NOTE 9: LICENSES, EXPLORATION AND EVALUATION ASSETS, GOODWILL AND DEVELOPMENT ASSETS

Note 9.1: Licenses, Exploration and Evaluation Assets, Development Assets

2024

<i>USD 000</i>	Licenses and exploration assets	Development assets
Historical cost		
At 1 January 2024	10,311	83,090
Additions	9,551	7,141
Transfer to Production Assets	-	(4,256)
At 31 December 2024	19,862	85,975
Net carrying value at 31 December 2024	19,862	85,975

2023

<i>USD 000</i>	Licenses and exploration assets	Development assets
Historical cost		
At 1 January 2023	2,595	122,823
Additions	5,960	27,742
Transfer to Production Assets	-	(69,460)
Additions through Acquisition (Note 14)	1,756	1,985
At 31 December 2023	10,311	83,090
Net carrying value at 31 December 2023	10,311	83,090

Note 9.2: Production rights

<i>USD 000</i>	2024	2023
Acquisition cost		
At 1 January	181,559	173,975
Depreciation charge for the year	(19,296)	(17,602)
Additions through Acquisition (Note 14)	-	25,160
Other additions	9	26
At 31 December	162,272	181,559





Note 9.3: Goodwill

USD 000	2024	2023
Acquisition cost		
At 1 January	52,124	47,762
Additions through Acquisition (Note 14)	-	4,362
At 31 December	52,124	52,124

The Group acquired 40% of the shares of Sfax Petroleum Corporation AS from Beender Petroleum Tunisia Limited during 2023, assets and liabilities were taken on at fair value and Goodwill of USD 4.4 million recognised as described in Note 14: Business Combinations. Goodwill of USD 47.8 million at the beginning of the year was a result of the acquisition of the interest in Block G, Equatorial Guinea during 2021.

Annual impairment assessments were carried out in December 2024 at which time the total carrying value of the Sfax Petroleum sub-group and Block G at 31 December 2023 was USD 47 million and USD 190.6 million respectively. The net recoverable value was determined on a Value in Use ('VIU') basis using a discounted cash flow model, which exceeded the carrying value. Based on a VIU analysis, performed using the profiles from third party reserves report, using the discount rate of 10% and oil price assumptions using a price deck of USD 76/bbl in 2025, increasing to USD 85/bbl in 2029 and USD 110/bbl in 2038. The resultant recoverable amounts exceed the current carrying value of the asset on the Group's balance sheet. This discount rate was derived from the Group's estimate of discount rates that might be applied by active market participants and adjusted, where applicable, to take into account any risks specific to the asset and the region where the asset is located.

In determining VIU it is necessary to make a series of assumptions to estimate future cash flows including volumes, price assumption and cost estimates. Economically recoverable reserves and resources are based on NSAI and project plans based on Operator sourced information, supported by the evaluation work undertaken by appropriately qualified persons within the Joint Venture. The impairment test is most sensitive to the following assumptions: discount rates, oil and gas prices, reserve estimates and project risk. As of the date of the financial statements there is no expectation of possible changes in any of the above key assumptions that would cause the carrying value of the TPS or Block G assets to materially exceed its recoverable amount.

NOTE 10: PRODUCTION ASSETS, PROPERTY, FURNITURE, FIXTURES AND EQUIPMENT

Note 10.1: Production Assets and Equipment

USD 000	2024	2023
Historical cost		
At 1 January	234,002	134,747
Additions	86,284	33,199
Write-offs	-	(238)
Adjustments to asset retirement estimates	10,609	(11,604)
Transfer from Development Assets	4,256	69,460
Additions through Acquisition (Note 14)	-	8,438
At 31 December	335,151	234,002
Accumulated depreciation		
At 1 January	58,935	37,388
Write-offs	-	(238)
Depreciation charge for the year	34,801	21,785
At 31 December	93,736	58,935
Net carrying value at 31 December	241,415	175,067



Note 10.2: Impairment in Oil and Gas Interests

Block G, Equatorial Guinea

The Group has a 14.25% working interest in Block G, Equatorial Guinea.

An assessment was performed using an oil price assumption price deck of USD 76/bbl in 2025, increasing each year with prices of USD 85/bbl in 2029 and USD 110/bbl in 2038. No indication of impairment was identified and no impairment was therefore recognised during the year 2024.

Dussafu, Gabon

The Group has a 17.4997% interest in the Dussafu Permit, offshore Gabon.

An assessment was performed using an oil price assumption price deck of USD 76/bbl in 2025, increasing each year with prices of USD 85/bbl in 2029 and USD 110/bbl in 2038. No indication of impairment was identified and no impairment was therefore recognised during the year 2024.

TPS Assets, Tunisia

The Group has a 49% interest in the TPS Assets, comprising of Cercina, Cercina Sud, Rhemoura, El Ain/Gremda and El Hajeb/Guebiba concessions.

The Group assesses each cash-generating unit annually to determine whether an indication of impairment exists

An assessment was performed using an oil price assumption price deck of USD 76/bbl in 2025, increasing each year with prices of USD 85/bbl in 2029 and USD 110/bbl in 2038. No indication of impairment was identified and no impairment was therefore recognised during the year 2024.

Sensitivities to change in assumptions

In general, adverse changes in key assumptions could result in recognition of impairment charges. Since there are no charges during the year, the sensitivities have not been presented in these financial statements. The Group will continue to test its assets for impairment where indications are identified and may in future recognise impairment charges or reversals.

There were no net impairment (reversal)/expense for continuing operations.

Climate considerations in impairment assessment

Panoro incorporates certain climate considerations into its estimation of cash flows that are applied in the calculation of recoverable amount. This includes factoring in current legislation (e.g., environmental taxes/fees) and estimations of future environmental tax levels. While the Group's participation in the current licenses and concessions in various jurisdictions are not currently subject to specific carbon pricing, evolving regulatory frameworks may introduce such measures in the future..

The 2024 IEA World Energy Outlook highlights the urgency of limiting global warming to 1.5°C, with significant momentum seen in renewable energy deployment and electric vehicle adoption. However, under current policies (STEPS), global warming is projected to reach 2.4°C by 2100, emphasizing the need for accelerated emission reduction efforts. Despite these challenges, global energy demand continues to rise, driven by emerging economies leveraging fossil resources to support economic growth, fund energy transitions, and address climate adaptation needs. The Group's strategy seeks to balance environmental sustainability, energy security, and economic objectives by investing in efficient producing assets across North, West, and South Africa while collaborating with partners to transition toward a low-carbon business model.

The company has run sensitivities for its West and North African oil assets in order to test the resilience of the Company's business, using three of the four scenarios examining future energy trends published by the International Energy Agency (IEA) in their World Energy Outlook 2024 publication.

The scenarios with their key features are as follows:

Net Zero Emissions (NZE) by 2050

Reaching net zero emissions by 2050 requires a fundamental transformation of the global energy system. Greenhouse gas emissions must fall by around 50% by 2030 — equivalent to a 7% annual reduction from 2021 — necessitating a rapid decline in oil and gas consumption. This shift is driven by a large-scale expansion of renewable energy, major improvements in energy efficiency, and the swift deployment of emerging technologies such as carbon capture, utilisation and storage (CCUS).



Cutting methane emissions from fossil fuel operations is also a critical priority. The NZE pathway assumes no further development of oil and gas fields beyond those already sanctioned, underlining the urgency of redirecting investment towards clean energy solutions. Oil demand drops sharply to 78.3 million barrels per day (mb/d) by 2030, primarily due to the electrification of road transport — the single most impactful driver of oil demand reduction. Efficiency gains and the uptake of low-emissions fuels also play an important role, particularly in sectors like aviation and shipping.

By 2050, oil demand declines to 23 mb/d, with roughly 70% used as feedstock in the petrochemical industry or in non-combusted products such as paraffin waxes, asphalt and bitumen. As demand eases, oil prices fall to USD 42 per barrel by 2030, and further to USD 25 per barrel by 2050.

Announced Pledges (APS)

The APS scenario reflects a trajectory in which all existing climate commitments and pledges by governments — including net zero targets — are fully implemented. In this pathway, global oil demand declines markedly, reaching 92.8 mb/d by 2030 and 53.7 mb/d by 2050. Road transport continues to lead this shift.

Measures to phase out single-use plastics and scale up plastics recycling contribute to slowing petrochemical demand growth. Oil use in aviation grows until the mid-2030s, then declines gradually, helped by an increasing share of sustainable aviation fuels. Oil use in shipping falls by 55% between 2022 and 2050, with 50% of marine fuels in 2050 coming from low-emissions sources.

Oil prices fall from USD 72 per barrel in 2030 to USD 58 per barrel in 2050, reflecting a managed but significant transition away from fossil fuels.

Stated Policies Scenario (STEPS)

The STEPS scenario outlines a future based on policies and measures that are already enacted or firmly under way. In this case, global oil demand peaks just before 2030 at just under 102 mb/d, before easing back to 99 mb/d by 2035, returning to 2023 levels.

The primary downward pressure on oil use comes from road transport. Electric vehicles have already displaced around 1.0 mb/d of demand since 2015, and between 2023 and 2035, they avoid a further 12 mb/d of demand growth. This results in a 2.5 mb/d net reduction in road transport oil use. Buildings-sector demand also contracts by 1.4 mb/d, thanks to fuel switching and energy efficiency measures.

However, these reductions are counterbalanced by a 6.2 mb/d increase in oil demand for aviation and petrochemical production over the same period. In emerging and developing economies, oil demand growth slows — from an average of 1.8% per year (2015–2023) to 1% per year (2023–2035). India sees the largest increase, rising by 1.9 mb/d, while China adds just under 1 mb/d, mostly driven by petrochemicals. China is on course to surpass the United States as the largest oil consumer by 2030.

In advanced economies, the long-term decline in oil demand accelerates. In Europe, internal combustion engine (ICE) vehicles lose ground rapidly, with over 90% of car sales expected to be electric by 2035. In North America, electric vehicle uptake grows to around 70% of car sales by 2035, largely due to recent policy measures in the United States and Canada. These transitions are even more pronounced in the APS and NZE scenarios, where electric vehicles account for almost 90% and nearly 100% of new car sales respectively by 2035.

Oil prices decline modestly in this scenario, falling to USD 82 per barrel by 2030, and USD 75 per barrel by 2050, reflecting more stable but still shifting demand dynamics.

Key findings

Sensitivity analysis conducted show that the Company’s portfolio remains resilient under each of the above-mentioned scenarios. Even under the most demanding NZE scenario, all segments remain economic, even though NPVs are negatively impacted and would result in an illustrative impairment of USD 69.2 million.

A summary of the impact of the different future oil price scenarios on NPV and reserves are as follows:

Percentage reduction/(increase)	Net Zero Emissions (NZE)	Announced Pledges (APS)	Stated Policies (STEPS)
NPV10	56%	18%	8%
Reserves	26%	9%	5%





These illustrative impairment sensitivities assume no changes to assumptions other than oil and gas prices. However, significant reduction in the oil and gas prices, offset by foreign currency effects, would likely impact the Group's investment levels. The illustrative sensitivities on climate change are not considered to represent a best estimate of an expected impairment impact. Moreover, a significant and prolonged reduction in oil and gas prices would likely result in mitigating actions by the Group and its license partners; for example, it could have an impact on drilling plans and production profiles for new and existing assets. Quantifying such impacts is considered impracticable, as it requires detailed evaluations based on hypothetical scenarios and not based on existing business or development plans.

Note 10.3: Property, Furniture, Fixtures and Equipment

2024

<i>USD 000</i>	Leasehold	Furniture, fixtures and fittings	Computer equipment	Right of use asset - London office	Total
Historical cost					
At 1 January 2024	178	958	175	1,323	2,634
Additions	48	1	54	-	103
At 31 December 2024	226	959	229	1,323	2,737
Accumulated depreciation					
At 1 January 2024	156	930	168	1,043	2,297
Depreciation charge for the year	10	18	5	199	232
At 31 December 2024	166	948	173	1,242	2,529

Net carrying value at 31 December 2024	60	11	56	81	208
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2023

<i>USD 000</i>	Leasehold	Furniture, fixtures and fittings	Computer equipment	Right of use asset - London office	Total
Historical cost					
At 1 January 2023	143	946	162	946	2,197
Additions	35	12	13	377	437
At 31 December 2023	178	958	175	1,323	2,634
Accumulated depreciation					
At 1 January 2023	100	888	160	849	1,997
Depreciation charge for the year	56	42	8	194	300
At 31 December 2023	156	930	168	1,043	2,297

Net carrying value at 31 December 2023	22	28	7	280	337
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Depreciation method and rates

Category	Straight-line depreciation	Useful life
Leasehold	Remaining period of lease	Remaining period of lease
Furniture, fixtures and fittings	10 - 33.33%	3 - 10 years
Computer equipment	20 - 33.33%	3 - 5 years
Right of use asset - London office	Period of lease	Period of lease



NOTE 11: INVESTMENT IN VENTURE CAPITAL FUNDS

An investment was made in FCPR SWING 3 Venture Capital Trust (the "VCT") via CAPSA Capital Partners as part of a Tunisian incentive plan that provides tax relief in exchange for investment in government approved projects within four years. The VCT invests in eligible activities under the incentive plan.

NOTE 12: ACCOUNTS AND OTHER RECEIVABLES

USD 000	2024	2023
Trade receivables	37,175	21,487
Other receivables and prepayments	1,411	6,023
Underlift - Block G, Equatorial Guinea	-	3,840
At 31 December	38,586	31,350

Accounts receivables are non-interest bearing and generally on 30 to 120 days payment terms.

At 31 December 2024 and 2023, the allowance for impairment of receivables was USD Nil.

Risk information for the receivable balances is disclosed in Note 20: Financial risk management.

Other receivables and prepayments consist entirely of prepayments at 31 December 2024 (31 December 2023: joint venture account balances of USD 4.3 million; prepayments of USD 1.6 million and USD 0.1 million tenancy deposit for the UK office premises).

NOTE 13: CASH AND BANK BALANCES

USD 000	2024	2023
Cash and cash equivalents	72,868	27,821
At 31 December	72,868	27,821

The majority of Panoro's cash balance was denominated in USD and was held in different jurisdictions including Norway, UK, Tunisia and Mauritius.

Overdraft facilities

The Group had no bank overdraft facilities as at 31 December 2024 (31 December 2023: Nil).

NOTE 14: BUSINESS COMBINATIONS

Note 14.1: Sfax Transaction

On 24 April 2023, Panoro acquired the remaining 40% of the shares of Sfax Petroleum Corporation AS ("Sfax") from Beender Petroleum Tunisia Limited ("Beender") for a total consideration of approximately USD 18.1 million in a mix of cash and shares. The acquisition was accounted for as a business combination and the additional interest acquired measured at fair value.

Purchase consideration of USD 18.1 million consisted of upfront cash consideration of USD 4.9 million paid on completion and USD 5 million deferred consideration which was paid in 2024, together with interest of USD 0.4 million. Share consideration of USD 8.3 million was paid via the allotment and issue of 2,945,034 new Panoro shares on 25 April 2023 at an issue price of NOK 29.18 per share (issue value NOK 85,936,092.12). In addition, certain contingent consideration amounts are payable which are mostly linked to average annual oil prices in excess of USD 100 per barrel. The fair value of such consideration payments was recognised on the date of acquisition at USD 64 thousand. The carrying value of net assets acquired was USD 4 million, leaving excess value of USD 14.1 million to be allocated.



The fair values of the identifiable assets and liabilities and the Purchase Price Allocation ("PPA") at acquisition date were as follows:

<i>Amounts in USD 000</i>	Balance sheet of Sfax Group at acquisition pre PPA	40% portion of asset acquired / liabilities assumed pre PPA	Adjustment 1	Adjustment 2	Balance sheet acquired at 40% post PPA
ASSETS					
Production rights	34,738	13,895	11,265	-	25,160
Goodwill	-	-	1,618	-	1,618
Goodwill related to step up / deferred tax	-	-	-	2,744	2,744
Intangible fixed assets	34,738	13,895	12,883	2,744	29,522
Tangible fixed assets	30,504	12,202	-	-	12,202
Inventories, trade and other receivables	24,025	9,610	-	-	9,610
Cash and cash equivalents	4,702	1,881	-	-	1,881
Total non-current assets	59,231	23,692	-	-	23,692
LIABILITIES					
Decommissioning liability	29,535	11,814	-	-	11,814
Other non-current liabilities	13,278	5,311	(1,210)	-	4,101
Deferred tax liabilities	8,460	3,384	-	2,744	6,128
Trade and other current liabilities	13,987	5,595	-	-	5,595
Current and deferred taxes	18,680	7,472	-	-	7,472
Total liabilities	83,940	33,576	(1,210)	2,744	35,110
Net assets (liabilities) acquired	10,029	4,012	14,093	-	18,105

Adjustment 1 relates to fair value adjustments identified and allocated to individual items in the analysis of the purchase price allocation analysis. Adjustment 2 contains deferred tax following from the previous adjustments, using a tax rate of 22% applicable to Norwegian companies.





NOTE 15: ASSET RETIREMENT OBLIGATION

In accordance with the agreements and legislation, the wellheads, production assets, pipelines and other installations may have to be dismantled and removed from oil and natural gas fields when the production ceases. The following table presents amounts of the estimated obligations associated with the retirement of oil and natural gas properties:

<i>USD 000</i>	Equatorial Guinea	Gabon	Tunisia	Total
At 1 January 2024	92,063	9,290	27,758	129,111
Unwinding of discount	4,660	451	(1,178)	3,933
Change in licence term	(3,199)	(1,097)	-	(4,296)
Additions	-	488	-	488
Change in cost estimate	14,417	-	-	14,417
Balance at 31 December 2024	107,941	9,132	26,580	143,653
At 1 January 2023	97,954	8,208	17,492	123,654
Unwinding of discount	3,915	334	998	5,247
Change in inflation and discount rate	(9,806)	(869)	(2,546)	(13,221)
Change in licence term	-	259	-	259
Additions	-	534	-	534
Acquisitions	-	-	11,814	11,814
Change in cost estimate	-	824	-	824
Balance at 31 December 2023	92,063	9,290	27,758	129,111

All amounts are classified as non-current. The exact timing of the obligations is uncertain and depends on the rate the reserves of the field are depleted. However, based on the existing production profile of the assets, the following assumptions have been applied in order to calculate the liability:

It is expected that expenditure on retirement is likely to be after more than five years. The current bases for the provision at 31 December 2024 are a discount rate of 4.75% and an inflation rate of 2% (31 December 2023: 4.75% and 2% respectively).

Discount rate sensitivity has been calculated by assuming a reasonably possible change of 1.2 percentage points. An increase in the discount rate of 1.2 percent would reduce the ARO liability by USD 21.3 million and a corresponding reduction would increase the liability by USD 25.4 million.

NOTE 16: EQUITY

Share capital

<i>Amounts in USD 000 unless otherwise stated</i>	Number of shares	Nominal Share Capital
As at 1 January 2024	116,944,048	738
As at 31 December 2024	116,944,048	738

Panoro Energy was formed through the merger of Norse Energy's former Brazilian business and Pan-Petroleum on 29 June 2010. The Company is incorporated in Norway and the share capital is denominated in NOK. The share capital given above is translated to USD at the foreign exchange rate in effect at the time of each share issue. All shares are fully paid-up and carry equal voting rights.

As of 31 December 2024, the Company had a registered share capital of NOK 5,847,202 divided into 116,944,048 shares, each with a nominal value of NOK 0.05 (31 December 2023: NOK 5,847,202 divided into 116,944,048 shares, each with a nominal value of NOK 0.05).

The Company's twenty largest shareholders and the shares owned by the CEO, Board Members and key management are referenced in the Parent Company Accounts below, please refer to Note 9: Shareholders' equity and shareholder information.



Reserves

Share premium

Share premium reserve of USD 415.7 million (31 December 2023: USD 434 million) represents excess of subscription value of the shares over the nominal amount.

Treasury shares

Treasury shares are presented as a deduction from equity represent the cost of the buy-back of the Company's own shares under a share buy-back program approved by the Board of the Company on 22 May 2024 (the "Program"). Under the Program, the Company's shares are to be bought on the open market up to a maximum cost of NOK 100 million with the maximum number of shares bought back limited to 11.7 million shares. The purpose of the buy-back program is to reduce the number of common shares of the Company outstanding and to provide a return to Company shareholders.

The company bought back 1,485,600 ordinary shares of its own equity during the period between 27 May 2024 and 31 December 2024, representing 1.27% of the total number of shares outstanding. The shares were acquired from the market at an average price of NOK 31.2088 per share with a total cost of NOK 46,457,612, which includes NOK 93,804 of transaction fees. The company used its retained earnings to fund the share buyback and the bought back shares are held as treasury shares and are presented as a separate equity item deduction from equity. The share buyback reduced the company's equity by USD 4.4 million and did not have an effect on its earnings per share.

Other reserves

Other reserves of negative USD 43.4 million in 2024 and 2023 represent an item arising on accounting for the historical merger with Company's subsidiary Panoro Energy do Brasil Ltda.

Additional paid-in capital

Additional paid-in capital of USD 122.1 million (31 December 2023: USD 122 million) represent reserves created under the continuity principle on demerger. Share-based payments credit is also recorded under this reserve and so is the credit from reduction of share capital by reducing the par value of shares.

NOTE 17: ACCOUNTS PAYABLE, ACCRUALS AND OTHER LIABILITIES

USD 000	2024	2023
Accounts payable	28,583	25,543
Accrued and other liabilities	5,083	3,532
Other non-current liabilities	25,939	8,852
At 31 December	59,605	37,927

Other non-current liabilities at 31 December 2024 include USD 1.1 million contingent consideration (31 December 2023: USD 5.5 million) in connection with the acquisition of 100% of the shares of Panoro Equatorial Guinea Limited from Tullow Overseas Holdings B.V. (the "EG Transaction") in 2021, USD 3.5 million retirement obligation provision (31 December 2023: USD 3.7 million and USD 21.3 million carried at amortised cost related to a sale and leaseback agreement for the Dussafu MaBoMo production facility.

During the year, BW Energy, the operator of the Dussafu Marin Permit, following regulatory approvals, executed a sale and lease back agreement with Minsheng Financial Leasing Co ("MSFL") for the BW MaBoMo production facility under a ten-year lease term with an option to repurchase the unit from the end of year seven. Gross sales proceeds of USD 150 million was realised to the joint venture and Panoro received net sales proceeds of USD 25.9 million. The transfer of an asset does not satisfy the requirements of IFRS 15 to be accounted for as a sale of the asset and continues to recognise the transferred asset and a financial liability equal to the amortised transfer proceeds of USD 25.9 million as a financial liability under IFRS 9. Under the PSC, the proceeds have been considered as an accelerated cost recovery.

NOTE 18: SHARE BASED PAYMENTS

Restricted Share Unit ("RSU") scheme

At the Annual General Meeting held on 23 May 2024, the existing RSU scheme (as originally presented and approved in the 27 May 2015 Annual General Meeting), was approved for another three years up to the general meeting to be held in the year 2027. Under this approved employee incentive scheme, the Company may issue RSUs to executive and key employees. Awards under the RSU scheme will normally be considered one time per year and grant of share-based incentives will, in



value (calculated at the time of grant), be capped levels defined in the plan. One RSU will entitle the holder to receive one share of capital stock of the Company against payment in cash of the par value for the share. Grant of RSUs will be subject to a set of performance metrics with threshold and factors reviewed annually by the Board of Directors. Such metrics will be set as objectives based on sustained performance results including mostly share price increases and achievement of specific financial performance measures related to a group of oil and gas exploration and production peers that has been defined and adopted by a committee established by the Board.

The movement of RSUs during the year are tabled below:

	2024	2023
<i>All amounts in Number of units, unless stated otherwise</i>		
Outstanding RSUs as of 1 January	1,203,377	1,049,991
Add: Grants during the year	640,032	719,615
Less: Vested during the year		
- Settled in cash to cover taxes / settlement through purchase of shares from the market	(566,406)	(256,587)
- Settled through issue of new shares	-	(309,642)
Outstanding RSUs as of 31 December	1,277,003	1,203,377

The cash settlement of RSUs is the Board of Directors' unilateral decision and such settlement is only to cover employee withholding taxes originating from vesting of RSUs. The Company, at its discretion, may also elect to settle the RSUs in cash or by delivering equity shares purchased from the market. RSUs vested on 13 June 2024 when the share price of the Company was NOK 32.15 per share.

In June 2024, 640,032 Restricted Share Units (RSU) were awarded under the Company's RSU scheme to key employees of the Company under the long-term incentive plan approved by the shareholders. One RSU entitles the holder to receive one share of capital stock of the Company against payment in cash of the par value of the share. The par value is currently NOK 0.05 per share. Vesting of the RSUs is time based. The standard vesting period is 3 years, where 1/3 of the RSUs vest after one year, 1/3 vest after 2 years and the final 1/3 vest after 3 years from grant. The Board of Directors, at its discretion can grant a non-standard vesting period.

RSUs vest automatically at the respective vesting dates, provided the unit holder continues to be an employee throughout the vesting period. The holder will be issued the applicable number of shares as soon as possible thereafter.

The Company calculates the value of share-based compensation using a Black-Scholes option pricing model to estimate the fair value of the RSUs at the date of grant. The estimated fair value of RSUs is amortised to expense over the respective vesting period of USD 1.7 million (2023: USD 1.8 million) has been charged to the statement of comprehensive income for the proportion of vesting during the respective years and the same amount credited to additional paid-in capital. Upon vesting, the settlement value is reversed from the additional paid-in capital. USD 1.7 million relating to the 2024 vesting was reversed during the year (2023: USD 1.6 million).

The assumptions made for the valuation of the RSUs granted during the year is as follows:

<i>Key assumptions</i>	2024	2023
Weighted average risk-free interest rate	3.90%	3.25%
Dividend yield	5.30%	Nil
Weighted average expected life of RSUs (vesting in Tranches)	1-3 years	1-3 years
Volatility range based on Company's historical share performance	40%	41%
Weighted average remaining contractual life of RSUs at year end	1.1 Years	1.2 Years
Share price at grant date – per share	NOK 32.20	NOK 27.18

The weighted average fair value of RSUs granted during the period was NOK 32.15 per unit (2023: NOK 27.13 per unit) based on 640,032 units granted (2023: 719,615 units granted).



The following table illustrates the maturity profile and Weighted Average Exercise Price ("WAEP") of the RSUs outstanding as of 31 December and vesting:

	2024	2023	WAEP	2024	2023
	Number of Units		NOK/share	Exercise value in NOK	
Within 1 year	598,679	566,406	0.05	29,934	28,320
Between 1 and 2 years	465,042	397,102	0.05	23,252	19,855
Between 2 and 3 years	213,282	239,869	0.05	10,664	11,993
Total	1,277,003	1,203,377		60,169	60,169

As of the year ended 2024 the unvested RSUs were outstanding for 22 employees including key management personnel (2023: 21 employees).

The distribution of outstanding RSUs as of 31 December 2024 amongst the employees is as follows:

	No of Units	Exercise price NOK/share	Exercise period	Fair value expensed USD 000
John Hamilton, CEO	363,818	0.05	June 2025 to June 2027	563
Qazi Qadeer, CFO	179,417	0.05	June 2025 to June 2027	273
Other Employees	733,768	0.05	June 2025 to June 2027	1,163
Total	1,277,003			1,999

Under the RSU scheme in an event where there is a change of control, all outstanding RSUs will vest immediately, and the Company will cash settle by compensating the difference between the fair market value of the RSUs and the exercise value.

A change of control is defined in the RSU scheme terms and means (i) a change of control in the ownership of the Company which gives a person (individual or corporate) the right and the obligation to make a mandatory offer for all the shares in the Company pursuant to the Norwegian Securities Trading Act of 2007, (ii) if (i) is not applicable; a change of control in the ownership of the Company which gives a person (individual or corporate) ownership to or control over more than 50% of the votes in the Company, (iii) a merger in which the Company is not the surviving entity or (iv) a sale of all or substantially all of the Company's assets to another corporation, partnership or other entity that is not a wholly owned Subsidiary of the Company. In the case of (i) and (ii) above, the change of control is deemed to occur at the time when the relevant ownership or control occurs and in the case of (iii) and (iv) above at completion of the merger or the sale.

Share Options to Board of Directors

Pursuant to the recommendation of the Nominations Committee and the resolutions passed in the Annual General Meeting ("2021 AGM") of the Company, held on 27 May 2021, a share option plan to award share options to the Company's existing members of the Board of Directors, were approved and implemented ("Board Options"). One Board Option entitles the holder to receive one share of capital stock of the Company against payment in cash of the Exercise Price of the option which has been set at NOK 17.34 each for 2021 awards, NOK 31.91 for the 2022 award and NOK 27.40 for the 2023 award, in line with the mechanism prescribed in the 2021 AGM. Vesting of the Board Options is time based and the vesting period specific to these grants is between 27 May 2021 to 26 May 2026, where 1/3 of the Board Options vest each year, starting one year after award on the date of the Company's AGM which is generally held in the last week of May each year.

The movement of Board Options during the year are tabled below:

	2024	2023
<i>All amounts in Number of units, unless stated otherwise</i>		
Outstanding options as of 1 January	192,000	168,000
Add: Grants during the year	-	24,000
Outstanding options as of 31 December	192,000	192,000

The outstanding options as of 31 December 2024 included 168,000 options that had already vested but not exercised (2023: 112,000).

The Company calculates the value of share-based compensation using a Black-Scholes option pricing model to estimate the fair value of the Board Options at the date of grant. The estimated fair value of RSUs is amortised to expense over the



respective vesting period of USD 0.1 million has been charged to the statement of comprehensive income for the proportion of vesting during the respective years and the same amount credited to additional paid-in capital. Upon vesting, the settlement value is reversed from the additional paid-in capital.

The assumptions made for the valuation of the Board Options granted during the year is as follows:

Key assumptions	2024	2023
Weighted average risk-free interest rate	n/a	3.25%
Dividend yield	n/a	Nil
Weighted average expected life of RSUs (vesting in Tranches)	n/a	1-3 years
Volatility range based on Company's historical share performance	n/a	41%
Weighted average remaining contractual life of RSUs at year end	n/a	0.8 Years
Share price at grant date – per share	n/a	NOK 28.10

No Board Options were granted during the year. The weighted average fair value of Board Options granted during the previous period was NOK 28.10 per unit based on 24,000 units granted.

The following table illustrates the maturity profile and Weighted Average Exercise Price ("WAEP") of the Board Options outstanding as of 31 December and vesting:

	2024	2023	WAEP	2024	2023
	Number of Units		NOK/share	Exercise value in NOK	
Fully vested and exercisable	168,000	112,000	19.21	3,227,280	2,058,640
Within 1 year	16,000	56,000	29.66	474,560	1,168,080
Between 1 and 2 years	8,000	16,000	27.40	219,200	474,480
Between 2 and 3 years	-	8,000	0.00	0	219,200
Total	192,000	192,000		3,921,040	3,920,400

As of the year ended 2024 the unvested Board Options were outstanding for 7 current and former members of the Board of Directors (2023: 6 members of the Board of Directors) which includes two former directors who are allowed to retain their Board Options in accordance with shareholder approvals received in the 2023 Annual General Meeting.

The distribution of outstanding Board Options as of 31 December 2024 amongst the members of the Board of Directors is as follows:

	No of Units - unvested	No of Units - vested and unexercised	Exercise price NOK/share	Exercise period	2024 Fair value expensed USD 000	2023 Fair value expensed USD 000
Current directors						
Julien Balkany	-	48,000	17.34	Up to May 2026	2	9
Torstein Sanness	-	24,000	17.34	Up to May 2026	1	5
Alexandra Herger	-	24,000	17.34	Up to May 2026	1	5
Garrett Soden	-	24,000	17.34	Up to May 2026	1	5
Gunnvor Ellingsen	16,000	8,000	27.40	Up to May 2028	8	6
Total	16,000	128,000			13	47

	No of Units - unvested	No of Units - vested and unexercised	Exercise price NOK/share	Exercise period	2024 Fair value expensed USD 000	2023 Fair value expensed USD 000
Former directors						
Grace Skaugen	8,000	16,000	31.91	Up to May 2027	7	11
Hilde Adland	-	24,000	17.34	Up to May 2026	-	6
Total	8,000	40,000			7	17



NOTE 19: FINANCIAL INSTRUMENTS

Fair values of financial assets and liabilities

The Group considers the carrying value of all its financial assets and liabilities to be materially the same as their fair value. The Group has no material financial assets that are past due. No material financial assets are impaired at the balance sheet date. All financial assets and liabilities with the exception of derivatives are measured at amortised cost.

Fair value of derivative instruments

All derivatives are recognised at fair value on the balance sheet with valuation changes recognised immediately in the income statement, unless the derivatives have been designated as a cash flow hedge. Fair value is the amount for which the asset or liability could be exchanged in an arm's length transaction at the relevant date. Where available, fair values are determined using quoted prices in active markets. To the extent that market prices are not available, fair values are estimated by reference to market-based transactions or using standard valuation techniques for the applicable instruments and commodities involved.

The Group strategically hedges a portion of its 2P oil reserves to protect against a fall in oil prices and protect its ability to service its debt obligations and to fund operations including planned capital expenditure. The hedge instruments used include "zero cost collars" (where Panoro is guaranteed to receive no less than the buy/put price, but no more than the sell/call price for the hedged number of bbls) and "commodity swap" (where Panoro is guaranteed the contract price) contracts to protect the downside in 'Dated Brent' oil price.

These hedge contracts are initially recognised at Nil fair value and then revalued at each balance sheet date, with changes in fair value recognised as finance income or expense in the Statement of Comprehensive Income. The hedging program continues to be closely monitored and adjusted according to the Group's risk management policies and cashflow requirements. The Group continues to monitor and optimise its hedging programme on an on-going basis. There were no outstanding commodity hedge contracts as at the respective balance sheet dates presented.

The fair values of the commodity price contracts are provided by the counterparty with whom the trades have been entered into. These consist of put and call options to sell/buy crude oil. The options are valued using a Black-Scholes based methodology. The inputs to these valuations include the price of oil, its volatility.

The following provides an analysis of the Group's financial instruments measured at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly or indirectly; and
- Level 3: fair value measurements are those derived from valuation techniques which include inputs for the asset or liability that are not based on observable market data.

All the Group's derivatives are Level 2 (2023: Level 2). There were no transfers between fair value levels during the year. For financial instruments which are recognised on a recurring basis, the Group determines whether transfers have occurred between levels by re-assessing categorisation (based on the lowest-level input which is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTE 20: FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Group's principal financial liabilities comprise of loans and borrowings and trade and other financial liabilities. The main purpose of these financial instruments is to finance the Group's operations, including the Group's capital expenditure programme. The Group has various financial assets such as accounts receivable and cash.

The Group manages its exposure to key financial risks in accordance with its financial risk management policy. The objective of the policy is to support the Group's financial targets while protecting future financial security. The Group is exposed to the following risks:

- Market risk, including commodity price, foreign currency exchange and interest rate risks
- Credit risk
- Liquidity risk



Management reviews and agrees policies for managing each of these risks which are summarised below. The Group's policy is that all transactions involving derivatives must be directly related to the underlying business of the Group and does not use derivative financial instruments for speculative purposes.

Market risk

Market risk is the risk or uncertainty arising from possible market price movements or prevailing market conditions and their impact on the future performance of a business or the ability to complete deals entered into. The primary commodity price risks that the Group is exposed to include oil prices that could adversely affect the value of the group's financial assets, liabilities or expected future cash flows. In accordance with the Group's financial risk management framework, the Group enters into various transactions using derivatives for risk management purposes. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk, each of which is discussed below.

Foreign currency exchange risk

The Company operates internationally and is exposed to risk arising from various currency exposures, primarily with respect to the Norwegian Kroner (NOK), the Tunisian Dinar (TND), the Pound Sterling (GBP) and the Central African Franc (CFA).

The Group has transactional currency exposures. Such exposure arises from sales or purchases in currencies other than the respective functional currency.

The Group reports its consolidated results in USD, any change in exchange rates between its operating subsidiaries' functional currencies and the USD affects its consolidated income statement and balance sheet when the results of those operating subsidiaries are translated into USD for reporting purposes.

Group companies are required to manage their foreign exchange risk against their functional currency.

The Group evaluates on a continuous basis to use cross currency swaps if deemed appropriate by management in order to hedge the forward foreign currency risk. The group used no currency derivatives/swaps during 2024 or 2023.

A 20% strengthening or weakening of the USD against the following currencies at the balance sheet dates presented would have increased / (decreased) equity and profit or loss by the amounts shown below.

The Group's assessment of what a reasonable potential change in foreign currencies that it is currently exposed to have been changed as a result of the changes observed in the world financial markets. This hypothetical analysis assumes that all other variables, including interest rates and commodity prices, remain constant.

USD 000	2024		2023	
USD vs NOK	20%	-20%	20%	-20%
Cash	10	(16)	14	(21)
Receivables	-	-	3	(5)
Payables	(115)	172	(20)	30
Net effect	(105)	156	(3)	5
USD vs TND	20%	-20%	20%	-20%
Cash	543	(814)	617	(925)
Receivables	190	(285)	242	(363)
Corporation taxes payable	-	-	(2,112)	3,168
Payables	(3,338)	5,007	(1,420)	2,130
Net effect	(2,605)	3,908	(2,673)	4,010
USD vs EUR	20%	-20%	20%	-20%
Cash	3	(5)	21	(32)
Receivables	-	-	1	(2)
Payables	(45)	67	(38)	57
Net effect	(42)	62	(16)	24



USD 000	2024		2023	
USD vs GBP	20%	-20%	20%	-20%
Cash	19	(29)	54	(81)
Receivables	73	(109)	(78)	116
Payables	(252)	378	(55)	83
Net effect	(160)	240	(79)	118
USD vs CFA	20%	-20%	20%	-20%
Cash	310	(465)	-	-
Receivables	1,652	(2,478)	-	-
Payables	(1,207)	1,811	-	-
Net effect	755	(1,132)	-	-

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and borrowings and cash balances.

The following table demonstrates the sensitivity of finance revenue and finance costs to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax through the impact on fixed rate short-term deposits and applicable floating rate bank loans.

USD 000	2024		2023	
	+100bps	-100bps	+100bps	-100bps
Loans and borrowings (Secured loans)	(1,500)	1,500	(705)	705
Cash equivalents	16	(16)	40	(40)
Net effect	(1,499)	1,499	(665)	665

Credit risk

The Group is exposed to credit risk that arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. Any change of financial institutions (except minor issues) are approved by the Group CFO. The Company may engage with counterparties of a lower rating, for commercial reason, or by taking lower exposures in such counterparties to mitigate the risks following necessary approvals.

If the Group's customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control in the operating units assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored and kept within approved budgets.



Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted payments.

2024					
USD 000	On demand	Less than 1 year	Between 2 to 5 years	Over 5 years	Total
Loans and borrowings (Secured loans)	-	854	150,000	-	150,854
Accounts payable and accrued liabilities	-	28,582	-	-	28,582
Non-current liabilities	-	-	15,130	14,732	29,862
Corporation tax liabilities	-	24,537	-	-	24,537
Total	-	53,973	165,130	14,732	233,835

2023					
USD 000	On demand	Less than 1 year	Between 2 to 5 years	Over 5 years	Total
Loans and borrowings (Secured loans)	-	26,420	44,033	-	70,453
Accounts payable and accrued liabilities	-	25,543	-	-	25,543
Non-current liabilities	-	-	119	3,648	3,767
Corporation tax liabilities	-	34,381	-	-	34,381
Total	-	86,344	44,152	3,648	134,144

Management considers that the Group has adequate current assets and forecast cash from operations to manage liquidity risks arising from current and non-current liabilities.

As of 31 December 2024, the Group's total debt was USD 145.9 million and oil revenue advances of nil. The Group closed the year with a cash position of USD 72.9 million.

Although the Company is well funded to undertake upcoming work programmes, there is a risk that additional funding may be required to conclude such activities.

Capital Management

The Group manages its capital structure to ensure that it remains sufficiently funded to support its business strategy and maximise shareholder value. In order to maintain or change the capital structure, the Group may adjust the amount of dividend payments to shareholders, return capital to shareholders or issue new shares.

The Group's funding requirements are met through a combination of debt and equity and adjustments are made in light of changes in economic conditions. The Group's strategy is to maintain ratios in line with covenants associated with its Secured loans. The Group includes interest bearing loans less cash, cash equivalents and restricted cash in net debt. Capital includes share capital, share premium, other reserves and accumulated profits/losses.

The Group is continuously evaluating the capital structure with the aim of having an optimal mix of equity and debt capital to reduce the Group's cost of capital and looking at avenues to procure that in the forthcoming year.



NOTE 21: GUARANTEES, PLEDGES AND CONTINGENT LIABILITIES

Brazil

The Company has provided a performance guarantee to the Brazilian directorate Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (the "ANP"), in terms of which the Company is liable for the commitments of Coral. Estela do Mar and Cavalão Marinho licenses in accordance with concession agreements. The guarantee is unlimited.

Further, in Brazil, termination agreements for the surrender of all licences have been signed between the JV partners and the ANP to conclude the relinquishment formalities on each licence and as such the guarantee no longer has a significant exposure to the Company.

The Company's formal exit from its historical Brazilian business is still ongoing with slow progress towards the approval of abandonment by the Brazilian regulators. Management is working actively with advisers and where relevant, the operator Petrobras, to bring matters to a close and to ensure that the ongoing costs are kept to a minimum. However, the timing and eventual costs of such conclusion is uncertain at this stage.

Netherlands

Under section 403(1)(f) Book 2 of the Dutch Civil Code, Pan-Petroleum Gabon B.V. (Chamber of Commerce number 27166816), a subsidiary of the Company have availed exemption for audit of its statutory financial statements pursuant to guarantees issued by the Company to indemnify the subsidiary of any losses towards third parties that may arise in the financial year ended 31 December 2024. The Company can make an annual election to support such guarantee for each financial year.

Gabon

The Company has a guarantee issued to the State of Gabon to fulfil all obligations under the Dussafu Production Sharing Contract.

Other

Pursuant to the Bond Terms, certain fully owned companies in the Group classified as Guarantors, have entered into a agreement to fulfil obligations under the Bond Terms.

As part of the production sharing contract ("PSC") in EG-01, the Company entered into a guarantee agreement with The Republic Of Equatorial Guinea ("the EG State") whereby the Company has guaranteed the performance of the contract by Panoro EG Exploration Limited (a wholly owned subsidiary) and the payment and timely compliance with all and any debts and obligations under the PSC to the EG State.

As part of the production sharing contracts ("PSCs") covering the Guduma Marin G4-264 and Niosi Marin G4-265 exploration blocks, the Company entered into a guarantee agreement with The Gabonese Republic ("the Gabon State") whereby the Company has guaranteed the performance of the contracts by Panoro Gabon Exploration Limited (a wholly owned subsidiary) and the payment and timely compliance with all and any debts and obligations under the PSCs to the Gabon State.

Panoro 2B Limited, a wholly owned subsidiary, provided a limited guarantee of ZAR 2.7 million (approximately USD 0.3 million) in favour of the South African government for environmental rehabilitation of planned activities to be undertaken on ER 376 once final approvals are obtained.

There is no potential claim against these performance guarantee and all license obligations are already accounted for in the statement of financial position.

NOTE 22: LEASES

As noted above, Panoro leases certain assets, notably office facilities for operational activities. Panoro is mostly a lessee and the use of leases serves operational purposes rather than as a tool for financing. These lease liabilities are recognised on a gross basis in the balance sheet, income statement and statement of cash flows when Panoro is considered to have the primary responsibility for the full lease payments.

In establishing Panoro's lease liabilities, the incremental borrowing rates used as discount factors in discounting payments have been established based on a consistent approach reflecting the Group's borrowing rate, the currency of the obligation, the duration of the lease term, and the credit spread for the legal entity entering into the lease contract. The London office lease contract has a reasonably certain non-cancellable period, was initially extended to June 2023, further extended to June



2025 during the year and the liability and the right of use asset determined using an incremental rate of return of 12% per annum which is deemed appropriate.

Information related to lease payments and lease liabilities

Lease liability is classified as current or non-current depending on maturity profile at balance sheet date. At 31 December 2024, the entire balance of USD 117 thousand was current (31 December 2023: USD 211 thousand current and USD 119 thousand non-current).

USD 000	2024	2023
Lease liability recognised at 1 January	330	114
Add: new leases, including remeasurements and cancellations	-	377
Add: lease interest	27	210
Less: gross lease payments	(240)	(371)
Lease liability at 31 December	117	330

The following table shows the maturity profile of lease liabilities based on contractual undiscounted lease payments.

USD 000	2024	2023
Within 1 year	117	211
2 to 5 years	-	119
After 5 years	-	-
Lease liability at 31 December	117	330

Information related to right of use assets

The right of use assets are included within the line item Property, plant and equipment in the Consolidated balance sheet. See Note 10: Production Assets, Property, Furniture, Fixtures and Equipment.

USD 000	2024	2023
Right of use asset recognised at 1 January	280	97
Add: new leases, including remeasurements and cancellations	-	377
Less: depreciation and impairment	(199)	(194)
Net book value of right of use asset at 31 December	81	280

NOTE 23: RELATED PARTIES TRANSACTIONS

Details of related party transactions are set out in the parent stand-alone financial statements, Note 8: Related party transactions and balances.

NOTE 24: SUBSIDIARIES

Details of the Group's subsidiaries as of 31 December 2024 are as follows:

Subsidiary	Place of incorporation and ownership	Ownership interest & voting power
Panoro Energy do Brasil Ltda	Brazil	100%
Panoro Energy Limited	UK	100%
African Energy Equity Resources Limited	UK	100%
Panoro 2B Limited	UK	100%
Panoro EG Exploration Limited	UK	100%
Pan-Petroleum (Holding) Cyprus Limited	Cyprus	100%
Pan-Petroleum Holding B.V.	Netherlands	100%
Pan-Petroleum Gabon B.V.	Netherlands	100%
Panoro Energy Holding B.V.	Netherlands	100%



Subsidiary	Place of incorporation and ownership	Ownership interest & voting power
Panoro Equatorial Guinea Limited	Isle of Man	100%
Panoro Gabon Exploration Limited	Isle of Man	100%
Energy Equity Resources AJE Limited	Nigeria	100%
Energy Equity Resources Oil and Gas Limited	Nigeria	100%
Syntroleum Nigeria Limited	Nigeria	100%
PPN Services Limited	Nigeria	100%
Energy Equity Resources (Cayman Islands) Limited	Cayman Islands	100%
Energy Equity Resources (Nominees) Limited	Cayman Islands	100%
Panoro Energy Gabon Production SA	Gabon	100%
Pan-Petroleum Oil & Gas Gabon SA	Gabon	100%
Sfax Petroleum Corporation AS	Norway	100%
Panoro Energy AS	Norway	100%
Panoro Tunisia Exploration AS	Norway	100%
Panoro Tunisia Production AS	Norway	100%
Panoro TPS Production GmbH-- in liqu	Austria	100%
Panoro TPS (UK) Production Limited	UK	100%

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

On 24 February 2025, the Board of Directors approved a cash distribution to shareholders of NOK 80 million (approximately USD 7.7 million) in the form of repayment of capital, equating to NOK 0.684 per share to shareholders holding shares in the Company at the end of trading on 4 March 2025. Payment took place on or around 12 March 2025.

NOTE 26: RESERVES (UNAUDITED)

The Group has adopted a policy of regional reserve reporting using external third-party companies to audit its work and certify reserves and resources according to the guidelines established by the Oslo Stock Exchange ("OSE"). Reserve and contingent resource estimates comply with the definitions set by the Petroleum Resources Management System ("PRMS") issued by the Society of Petroleum Engineers ("SPE"), the American Association of Petroleum Geologists ("AAPG"), the World Petroleum Council ("WPC") and the Society of Petroleum Evaluation Engineers ("SPEE") in June 2018. Panoro uses the services of Netherland Sewell & Associates ("NSAI") for third party verifications of its reserves.

Please refer to the Annual Statement of Reserves on page 28 for details.





PANORO ENERGY ASA

PARENT COMPANY INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER

USD 000	Note	2024	2023
Operating income			
Operating revenues		-	-
Total operating income		-	-
Operating expenses			
General and administrative costs		(4,077)	(3,645)
Impairment of investment in subsidiaries	2,6	(75)	(65)
Impairment of loans to subsidiaries	2,7	(121)	9,830
Total operating expenses		(4,273)	6,120
Operating result		(4,273)	6,120
Financial income	3	104	737
Interest and other finance expense	3	(1,605)	(146)
Currency gain / (loss)		(191)	84
Loss on fair value of listed equity investments		-	(26)
Result before income taxes		(5,965)	6,769
Income tax	5	-	-
Result for the year		(5,965)	6,769
Earnings/(loss) per share (basic and diluted) - USD	4	(0.05)	0.06

The annexed notes form an integral part of these financial statements.



PANORO ENERGY ASA

PARENT COMPANY BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER

USD 000	Note	2024	2023
ASSETS			
Non-current assets			
Investment in subsidiaries	6	209,249	209,249
Total non-current assets		209,249	209,249
Current assets			
Loans to subsidiaries		89,238	16,402
Other current assets		14	19
Cash and cash equivalents		44,946	92
Total current assets		134,198	16,513
TOTAL ASSETS		343,447	225,762
EQUITY AND LIABILITIES			
EQUITY			
Paid-in capital			
Share capital	9	738	738
Share premium	9	415,647	433,970
Treasury Shares	9	(4,348)	-
Additional paid-in capital	9	122,235	122,215
Total paid-in capital		534,272	556,923
Other equity			
Other reserves	9	(349,945)	(343,981)
Total other equity		(349,945)	(343,981)
TOTAL EQUITY		184,327	212,942
LIABILITIES			
Non-current liabilities			
Secured loans	10	146,488	-
Other non-current liabilities		30	64
Total current liabilities		146,518	64
Current liabilities			
Secured loans - current portion	10	(553)	-
Accounts payable		232	403
Intercompany payables		11,125	7,313
Other current liabilities	11	1,798	5,040
Total current liabilities		12,602	12,756
TOTAL LIABILITIES		159,120	12,820
TOTAL EQUITY AND LIABILITIES		343,447	225,762

The annexed notes form an integral part of these financial statements



PANORO ENERGY ASA PARENT COMPANY STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER

USD 000	Note	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net income / (loss) for the year		(5,965)	6,769
Adjusted for:			
Impairment of investment in subsidiary	6	75	65
Provision for Doubtful Receivables	7	121	(9,830)
Financial Income		(104)	(737)
Financial Expenses		358	141
Foreign exchange gains/losses		191	(84)
Loss on fair value of listed equity investments		-	342
(Increase)/decrease in trade and other receivables		5	20
Increase/(decrease) in trade and other payables		1,554	(3,036)
Increase/(decrease) in intercompany payables		3,812	8,279
Net cash flows from operating activities		47	1,929
CASH FLOWS FROM INVESTING ACTIVITIES			
Net proceeds from loans and borrowings		145,935	-
Cash outflow relating to acquisitions		(5,433)	(14,587)
Loans to subsidiaries		(72,833)	22,997
Net cash flows from investing activities		67,669	8,410
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash distributions to shareholders		(18,323)	(13,171)
Buyback of own shares		(4,348)	-
Net cash flows from financing activities		(22,671)	(13,171)
Effect of foreign currency translation adjustment on cash balances		(191)	84
Net increase in cash and cash equivalents		44,854	(2,748)
Cash and cash equivalents at the beginning of the year		92	2,840
Cash and cash equivalents at the end of financial year		44,946	92

The annexed notes form an integral part of these financial statements.



PANORO ENERGY ASA

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: ACCOUNTING PRINCIPLES

The annual accounts for the parent company Panoro Energy ASA (the "Company") are prepared in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. The consolidated financial statements have been prepared under International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union ("EU") and are presented separately from the parent company.

The accounting policies under IFRS Accounting Standards are described in the consolidated financial statements in Note 2: Basis of preparation. The accounting principles applied under NGAAP are in conformity with IFRS Accounting Standards unless otherwise stated in the notes below.

The Company's annual financial statements are presented in US Dollars (USD) and rounded to the nearest thousand, unless otherwise stated. USD is the currency used for accounting purposes and is the functional currency. Shares in subsidiaries and other shares are recorded in Panoro Energy ASA's accounts using the cost method of accounting and reduced by impairment, if any.

NOTE 2: GENERAL AND ADMINISTRATIVE EXPENSES

Operating result

Operating result is stated after charging / (crediting):

USD 000	2024	2023
Employee benefits expense (Note 2.1)	13	82
Reversal of impairment of investment in subsidiary (Note 6)	75	65
Intercompany Loans impairment / (impairment reversal) (Note 7)	121	(9,830)

2.1: Employee benefits expense

a) Salaries

The Company had no employees at 31 December 2024 and 2023. As such, there are no wages and salaries included in general and administrative expenses.

Employee related expenses:

USD 000	2024	2023
Employer's contribution to payroll taxes	13	82
Total	13	82

Details of CEO and CFO remuneration are set out in the consolidated financial statements, Note 4: Operating Result. Employer's contribution relates to the employer's tax payable on the Company's Board of Directors' fees.



b) Directors' remuneration

The Group financial statements contain detail on how directors' remuneration is determined in Note 4: Operating Result.

Remuneration to members of the Board of Directors is summarised below:

<i>USD 000</i>	2024	2023
Julien Balkany (Chairman of the Board of Directors)	106	106
Torstein Sanness (Deputy Chairman of the Board of Directors)	76	74
Alexandra Herger	66	66
Gunvor Ellingsen	69	43
Garrett Soden	69	67
Hilde Adland (resigned during 2023)	-	24
Grace Skaugen (resigned during 2023)	-	25
Total	386	405

No loans have been given to, or guarantees given on the behalf of, any members of the Management Group, the Board or other elected corporate bodies.

No pension benefits were received by the Directors during 2024 or 2023.

There are no severance payment arrangements in place for the Directors.

c) Restricted Share Unit ("RSU") and Board Share Options

Details of the RSU scheme and Board options are set out in the consolidated Financial Statements, Note 18: Share based payments.

Details of share options issued during the year ended 31 December 2024 to members of the Board of Directors, together with fair value expensed are summarised in the table below:

2024	Number of RSUs awarded	Fair value of RSUs expensed
<i>USD 000 (unless stated otherwise)</i>		
Julien Balkany (Chairman of the Board)	-	2
Torstein Sanness (Deputy Chairman)	-	1
Alexandra Herger	-	1
Garrett Soden	-	1
Gunvor Ellingsen	-	8
Grace Skaugen ⁽ⁱ⁾	-	7
Total	-	20

2023	Number of RSUs awarded	Fair value of RSUs expensed
<i>USD 000 (unless stated otherwise)</i>		
Julien Balkany (Chairman of the Board)	-	9
Torstein Sanness (Deputy Chairman)	-	5
Alexandra Herger	-	5
Garrett Soden	-	5
Gunvor Ellingsen	24,000	6
Grace Skaugen ⁽ⁱ⁾	-	11
Hilde Adland ⁽ⁱ⁾	-	6
Total	24,000	47

(i) Resigned from the Board of Directors in the May 2023 Annual General Meeting.



d) Pensions

The Company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("Lov om obligatorisk tjenestepensjon"). The Company contributes to an external defined contribution scheme and therefore no pension liability is recognised in the balance sheet.

e) Auditor

Fees (excluding VAT) to the Company's auditors are included in general and administrative expenses and are shown below.

<i>USD 000</i>	2024	2023
Ernst & Young		
Statutory audit	-	-
Tax services	-	-
Total	-	-

The consolidated Financial Statements contain details of fees paid to the Group's auditors in Note 4: Operating Result on page 57. Audit fees for the years 2023 and 2024 have been billed to a wholly owned subsidiary based in the UK, Panoro Energy Limited and recharged to the Parent Company and respective group companies.

NOTE 3: FINANCIAL ITEMS

The financial income breakdown is below:

<i>USD 000</i>	2024	2023
Interest income from subsidiaries	37	689
Other interest income	67	48
Total	104	737

Interest income from subsidiaries represents an interest on the intercompany loans. Note 8: Related party transactions and balances contains further information on these balances.

The financial expense breakdown is below:

<i>USD 000</i>	2024	2023
Interest expense to subsidiaries	280	-
Interest on secured loans	967	-
Bank and other financial charges	-	5
Interest on deferred consideration payable for investment in subsidiary	358	141
Total	1,605	146

NOTE 4: EARNINGS PER SHARE

<i>USD 000 unless otherwise stated</i>	2024	2023
Net result for the period	(5,965)	6,769
Weighted average number of shares outstanding - in thousands	115,813	116,142
Diluted weighted average number of shares outstanding - in thousands	117,192	117,452
Basic earnings per share – (USD)	(0.05)	0.06
Diluted earnings per share – (USD)	(0.05)	0.06

When calculating the diluted earnings per share, the weighted average number of shares outstanding is normally adjusted for all dilutive effects relating to the Company's RSUs and options outstanding.



NOTE 5: INCOME TAX

<i>USD 000 unless otherwise stated</i>	2024	2023
Tax payable	-	-
Change in deferred tax	-	-
Income tax expense	-	-

SPECIFICATION OF THE BASIS FOR TAX PAYABLE:

<i>USD 000</i>	2024	2023
Result before income tax	(5,965)	6,769
Effect of permanent differences	(614)	(984)
Effect of timing differences	4,723	9,765
Tax losses carried forward / (utilised)	1,856	(15,550)
Basis for tax payable	-	-

SPECIFICATION OF DEFERRED TAX:

<i>USD 000</i>	2024	2023
Losses carried forward	12,722	2,648
Taxable temporary differences	-	-
Basis for tax payable	12,722	2,648
Calculated deferred tax asset (22% for 2024 and 2023)	2,799	583
Unrecognised deferred tax asset	(2,799)	(583)
Deferred tax recognised on balance sheet	-	-

The tax losses carried forward are available indefinitely to offset against future taxable profits. The tax losses for the year ended 31 December 2024 was NOK 144.5 million (USD 12.7 million) and NOK 26.9 million (USD 2.5 million) for the year ended 31 December 2023.

The deferred tax asset is not recognised on the balance sheet due to uncertainty of future income.



NOTE 6: INVESTMENT IN SUBSIDIARIES

Investments in subsidiaries are carried at the lower of cost and fair market value. As at 31 December 2024, the carrying value of the investment in subsidiaries was USD 209 million (31 December 2023: USD 209 million) the holdings in subsidiaries consist of the following:

	Headquarters	Ownership interest and voting rights
Panoro Energy do Brasil Ltda (PEdB)	Rio de Janeiro, Brazil	100%
Pan-Petroleum (Holding) Cyprus Ltd (PPHCL)	Limassol, Cyprus	100%
Panoro Energy Holding B.V. (PEHBV)	Amsterdam, Netherlands	100%
Panoro 2B Limited (P2BL)	London, UK	100%
Panoro EG Exploration Limited (PEGEX)	London, UK	100%
Panoro Gabon Exploration Limited (PGEL)	Isle of Man	100%
Sfax Petroleum Corporation AS (Sfax Petroleum)	Oslo, Norway	100%

USD 000	PEdB	PPHCL	PEHBV	P2BL	PEGEX	PGEL	SFAX Petroleum	Total
Investment at cost								
At 1 January 2024	95,842	129,106	161,971	11,033	138	-	36,107	434,197
Investments during the year	75	-	-	-	-	-	-	75
At 31 December 2024	95,917	129,106	161,971	11,033	138	-	36,107	434,272
Impairment provision								
At 1 January 2024	(95,842)	(129,106)	-	-	-	-	-	(224,948)
Charge for the year	(75)	-	-	-	-	-	-	(75)
At 31 December 2024	(95,917)	(129,106)	-	-	-	-	-	(225,023)

Total investment in subsidiaries at 31 December 2024	-	-	161,971	11,033	138	-	36,107	209,249
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Total investment in subsidiaries at 31 December 2023	-	-	161,971	11,033	138	-	36,107	209,249
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Impairment of the Investment represents loss in value of the Company's investment in shares of Panoro Energy do Brasil Ltda. The impairment has been determined by comparing estimated recoverable values of the underlying investment with the carrying amount.

NOTE 7: PROVISION FOR DOUBTFUL RECEIVABLES

Provision for doubtful receivables owed from loans provided to subsidiaries Pan-Petroleum Holding B.V. and Panoro Gabon Exploration Limited of USD 108 thousand and USD 13 thousand respectively (2023: USD 141 thousand and USD 23 thousand respectively) related to uncollectible loan provision reflective of the dormant nature of these subsidiaries. A loan to Panoro 2B Limited of USD 9.8 million was impaired in 2022 following the write-off of exploration costs in the subsidiary. This loan was capitalised and the impairment was therefore reversed during 2023.

NOTE 8: RELATED PARTY TRANSACTIONS AND BALANCES

As the ultimate parent company, the Company routinely provides funding to companies within the Group to support operations. The Company also receives technical and management services from its indirect subsidiary, Panoro Energy Limited. The cost of these services is then recharged to the relevant subsidiaries. In addition, the Company also has routine trading accounts and balances with other Companies in the Group.

The Company had the following loans outstanding with its wholly owned subsidiaries at 31 December 2024:



- USD 10.7 million receivable from Sfax Petroleum Corporation AS ("Sfax"), interest free, payable on demand and classified as current (31 December 2023: USD 10.7 million).
- USD 62.1 million receivable from Panoro Energy Holding B.V., carrying interest of 2%, payable on demand and classified as current (31 December 2023: USD 1.1 million carrying interest rates of 2%).
- USD 5.7 million payable to Panoro Equatorial Guinea Limited, carrying interest of 2%, payable on demand and classified as current (31 December 2023: nil).
- USD 10 million receivable from Panoro Tunisia Production (UK) Limited, carrying interest of 2%, payable on demand and classified as current (31 December 2023: nil).

The Company had the following non-interest-bearing payable balances to companies within the Group at 31 December 2024:

- Payable balances on account of intercompany recharges were USD 2.7 million (31 December 2023: USD 2.8 million) owed to Company's indirect subsidiary Panoro Energy Limited, which provides technical services to the Group.
- Payable balance to the Company's subsidiary, Pan-Petroleum (Holding) Cyprus Limited was USD 0.9 million (31 December 2023: USD 0.9 million).
- Payable balance to the Company's subsidiary, Panoro Tunisia Exploration AS of USD 1.5 million (31 December 2023: USD 1.6 million).
- Payable balance to Sfax Petroleum Corporation AS of USD 1.4 million (31 December 2023: USD 1.7 million).
- Payable balance to Panoro Equatorial Guinea Limited of USD 0.2 million (31 December 2023: USD 0.1 million).

Panoro Energy ASA also provides management services to the other companies in the Group under service agreements. The total balances receivable from Group companies for services provided under service agreement and for normal operational purposes at 31 December 2024 were:

- Panoro Energy Holding B.V, total USD 0.1 million (31 December 2023: USD 0.2 million) related to management and technical services provided during the year.
- Pan-Petroleum Oil and Gas Gabon SA, total USD 0.6 million (31 December 2023: nil) related to management and technical services provided during the year.
- Panoro 2B Limited; total USD 1 million (31 December 2023: USD 0.5 million) related to management and technical services provided during the year.
- USD 0.3 million (31 December 2023: USD 0.3 million) from Panoro Energy AS, of which USD Nil related to management and technical services provided during the year.
- USD 0.1 million (31 December 2023: USD 0.1 million) from Panoro Tunisia Production AS, of which USD Nil related to the management and technical services provided during the year.
- USD 0.6 million (31 December 2023: USD 0.6 million) from Panoro TPS Production GmbH, in liqu, of which USD nil related to the management and technical services provided during the year.

Further, the Company provides funding to its Group companies to fund normal operational activity. The intercompany balances receivable from the companies within the Group at 31 December 2024 were:

- Panoro Gabon Exploration Limited of USD 35 thousand which is interest-free and repayable on demand.
- Panoro Equatorial Guinea Exploration Limited of USD 4.5 million (31 December 2023: USD 2.9 million) which is interest-free and repayable on demand.
- Panoro Tunisia Production (UK) Limited, total USD 0.5 million (31 December 2023: USD Nil) which is interest free and repayable on demand.
- Pan-Petroleum Holding BV, total USD 0.5 million (31 December 2023: USD 0.4 million) which is interest free and repayable on demand.

NOTE 9: SHAREHOLDERS' EQUITY AND SHAREHOLDER INFORMATION

As of 31 December 2024 and 31 December 2023, the Company had a registered share capital of NOK 5,847,202 divided into 116,944,048 shares, each with a nominal value of NOK 0.05.

All shares in issue are fully paid-up and carry equal voting rights.

The Board may be given a power of attorney by the General Meeting to issue new shares for specific purposes.

The table below shows the changes in equity in the Company.



USD 000	Issued capital	Share premium	Additional paid-in capital	Treasury shares	Other equity	Total
At 1 January 2024	738	433,970	122,215	-	(343,981)	212,942
Net income/(loss) for the year	-	-	-	-	(5,965)	(5,965)
Repayment of paid-in capital	-	(18,323)	-	-	-	(18,323)
Buyback of own shares	-	-	-	(4,348)	-	(4,348)
Shares issued under RSU plan	-	-	20	-	-	20
At 31 December 2024	738	415,647	122,235	(4,348)	(349,945)	184,327
At 1 January 2023	723	428,503	122,168	-	(344,147)	207,247
Net income/(loss) for the year	-	-	-	-	6,769	6,769
Share issue for investment in subsidiary	14	8,319	-	-	-	8,333
Dividend distribution	-	-	-	-	(6,603)	(6,603)
Repayment of paid-in capital	-	(3,643)	-	-	-	(3,643)
Shares issued under RSU plan	1	791	47	-	-	839
At 31 December 2023	738	433,970	122,215	-	(343,981)	212,942

Ownership structure

The Company had 5,591 shareholders on 31 December 2024 (31 December 2023: 6,015). The twenty largest shareholders on the Company's share register were:

No.	Shareholder	Number of shares	Holding in %
1	SUNDT AS	13,900,000	11.89%
2	BNP Paribas	8,979,114	7.68%
3	Merrill Lynch International	3,655,598	3.13%
4	BEENDER PETROLEUM TUNISIA LTD	2,945,034	2.52%
5	J.P. Morgan Securities LLC	2,874,361	2.46%
6	The Northern Trust Comp, London Br	2,808,875	2.40%
7	ALDEN AS	2,800,000	2.39%
8	HORTULAN AS	2,500,000	2.14%
9	Citibank, N.A.	2,487,438	2.13%
10	BNP Paribas	1,796,773	1.54%
11	VERDIPAPIRFONDET FIRST GENERATOR	1,667,766	1.43%
12	F2 FUNDS AS	1,650,000	1.41%
13	MIDELFART CAPITAL AS	1,585,820	1.36%
14	F1 FUNDS AS	1,500,000	1.28%
15	PANORO ENERGY ASA	1,485,600	1.27%
16	The Northern Trust Comp, London Br	1,102,222	0.94%
17	Nordnet Bank AB	990,767	0.85%
18	Goldman Sachs & Co. LLC	940,127	0.80%
19	Bank Pictet & Cie (Europe) AG	858,380	0.73%
20	NORDNET LIVSFORSIKRING AS	841,172	0.72%
	Top 20 shareholders	57,369,047	49.06%
	Other shareholders	59,575,001	50.94%
	Total shares	116,944,048	100.00%



Shares owned by the CEO, Board Members and key management, directly and indirectly, at 31 December 2024:

Shareholder	Position	Number of shares	% of total
Julien Balkany ⁽ⁱ⁾	Chairman of the Board of Directors	3,762,211	3.22%
Torstein Sanness	Deputy Chairman of the Board of Directors	185,289	0.16%
Garrett Soden ⁽ⁱⁱ⁾	Director	30,000	0.03%
Alexandra Herger	Director	20,950	0.02%
John Hamilton	Chief Executive Officer	786,836	0.67%
Qazi Qadeer	Chief Financial Officer	293,432	0.25%

(i) Mr. Balkany has beneficial interest in Nanes Balkany Partners I LP which owns 664,252 shares in the Company and directly holds 3,097,959 shares in the Company.

(ii) Mr. Soden holds directly or indirectly 30,000 shares in the Company.

Shareholder distribution as at 31 December 2024 as follows:

Number of shares	# of shareholders	% of total	# of shares	Holding in %
1 - 1,000	3,444	61.60%	806,080	0.69%
1,001 - 5,000	1,082	19.35%	2,829,324	2.42%
5,001 - 10,000	334	5.97%	2,578,526	2.20%
10,001 - 100,000	586	10.48%	17,500,176	14.96%
100,001 - 1,000,000	129	2.31%	39,491,341	33.77%
1,000,001 +	16	0.29%	53,738,601	45.95%
Total	5,591	100.00%	116,944,048	100.00%

NOTE 10: SECURED LOANS

Current and non-current portion of the outstanding balance of the Senior Secured Bond as of the date of the statement of financial position is as follows:

USD 000	31 December 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Senior Secured Bond						
Principal outstanding	-	150,000	150,000	-	-	-
Accumulated interest accrued	854	-	854	-	-	-
Unamortised borrowing costs	(1,407)	(3,512)	(4,919)	-	-	-
	(553)	146,488	145,935	-	-	-

On 27 November 2024, the Company issued a 5-year Senior Secured Bond of USD 150 million at 99.2% of nominal value with a coupon rate of 10.25%. Proceeds of the bond issue were received on 20 December 2024 and used in part to fully repay the principal and accrued interest amount outstanding under the Senior Secured Borrowing Base facility. The Bond is repayable in three annual instalments of USD 25 million starting on 11 December 2026 with the final balance of USD 75 million to be settled on 11 December 2029. Interest is payable twice a year on 11 June and 11 December.

Key financial covenants are required to be tested each quarter. These covenants, applicable at levels of the borrower group as defined in the loan documentation, include the following:

- (i) Leverage ratio (being total net debt to adjusted EBITDA as per defined bond terms) less than 2:1; and
- (ii) Liquidity of higher of USD 15 million or 10% of Total Debt.

The Company was not in breach of any financial covenants as at 31 December 2024. Un-amortised borrowing costs include structuring fees and directly attributable third-party costs. These costs are expensed using an effective interest rate of 11.6% per annum over the remaining term of the facility.



NOTE 11: OTHER CURRENT LIABILITIES

The breakdown of other current liabilities is below:

USD 000	2024	2023
Accruals	1,770	4
Employee related costs payable (including taxes)	28	36
Deferred consideration payable for acquisition of investment in subsidiary	-	5,000
At December 31	1,798	5,040

NOTE 12: COMMITMENTS AND CONTINGENCIES

There were no commitments and contingencies at 31 December 2024 (31 December 2023: Nil).

NOTE 13: FINANCIAL MARKET RISK AND BUSINESS RISK

Refer to the consolidated financial statements Note 20: Financial risk management.

NOTE 14: GUARANTEES AND PLEDGES

The Company has provided a performance guarantee to the Brazilian directorate Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (the "ANP"), in terms of which the Company is liable for the commitments of Coral. Estela do Mar and Cavalão Marinho licenses in accordance with concession agreements. The guarantee is unlimited.

Under section 403(1)(f) Book 2 of the Dutch Civil Code, Pan-Petroleum Gabon B.V. (Chamber of Commerce number 27166816), a subsidiary of the Company has availed exemption for audit of its statutory financial statements pursuant to guarantees issued by the Company to indemnify the subsidiary of any losses towards third parties that may arise in the financial year ended 31 December 2024. The Company can make an annual election to support such guarantee for each financial year.

The Company has a guarantee issued to the State of Gabon to fulfil all obligations under the Dussafu Production Sharing Contract. There is no potential claim against these performance guarantee and all license obligations are already accounted for in the statement of financial position.

Pursuant to the Bond Terms, certain fully owned companies in the Group classified as Guarantors, have entered into a agreement to fulfil obligations under the Bond Terms.

The Company has issued a performance guarantee on behalf of its jointly owned company Panoro Energy AS to fulfil the payment obligation of deferred consideration of up to USD 13.2 million (USD 7.9 million net to Panoro) to DNO ASA once the milestones as agreed by parties are met.

As part of the production sharing contract ("PSC") in EG-01, the Company entered into a guarantee agreement with The Republic Of Equatorial Guinea ("the State") whereby the Company has guaranteed the performance of the contract by its subsidiary, Panoro EG Exploration Limited and the payment and timely compliance with all and any debts and obligations under the PSC to the State.

As part of the production sharing contracts ("PSCs") covering the Guduma Marin G4-264 and Niosi Marin G4-265 exploration blocks, the Company entered into a guarantee agreement with The Gabonese Republic ("the Gabon State") whereby the Company has guaranteed the performance of the contracts by Panoro Gabon Exploration Limited (a wholly owned subsidiary) and the payment and timely compliance with all and any debts and obligations under the PSCs to the Gabon State.

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

Refer to the consolidated financial statements, Note 25: Events subsequent to reporting date.



ANNUAL REPORT ON EXECUTIVE REMUNERATION POLICIES

(REF. SECTION 6-16B OF THE NORWEGIAN PUBLIC LIMITED LIABILITY COMPANIES ACT)

At the 2024 Annual General Meeting, proposed guidelines for executive remuneration were approved, ref. section 6-16A of the Norwegian Public Limited Liability Companies Act. The guidelines are valid for four years. Pursuant to section 6-16B of the Norwegian Public Limited Liability Companies Act, the Company shall submit an annual report which gives an overall overview of paid and accrued salary and remuneration for the previous financial year and as comprised by the approved guidelines.

The Company hereby presents the following report:

1. INTRODUCTION

1.1. Background

This remuneration report (the "Report") is prepared by the board of directors of Panoro Energy ASA (the "Company") in accordance with the Norwegian Public Limited Liability Companies Act (the "Companies Act") Section 6-16 b with regulations. The Report contains information regarding remuneration to previous, present and future leading personnel of the Company ("Executives") for the financial year of 2024 in line with the applicable requirements.

The Company considers the CEO and the CFO to be comprised by the term leading personnel under the Companies Act. Both the leading personnel are employed in the Company's group subsidiary.

1.2. Highlights summary and overview of the last financial year

2024 was an eventful year for the Company with extensive productive and exploration campaigns. During the year the Group successfully completed drilling and pump replacement campaigns and both Gabon and Equatorial Guinea. Furthermore, the Company has successfully achieved a target milestone of 13,000 bopd net in later part of the year. The Company has delivered on all material projects successfully and brought the Company into a much stable and robust financial position following a successful bond issue in December 2024. In terms of shareholder returns, the Company has continued to deliver sustainable distributions in line with the framework communicated to the shareholders. In addition, the Company has continued to invest in organic production and development opportunities that will drive material near term growth and expanded its acreage position selectively around core production hubs in line with Panoro's infrastructure led exploration strategy. The efforts of the management team to deliver strong financial and operational results reflect the valued contribution to the Company and is also reflected in the cash rewards and incentives provided to the Executives.

2. TOTAL REMUNERATION FOR EXECUTIVES

2.1. Introduction

The table in Section 2.2 below contains an overview of the total remuneration received by the Executives, as well as remuneration that were granted/awarded/due but not yet materialised, during the reported financial year. Only remuneration earned on the basis of the Executives' role as a leading person is comprised. Since the Executives do not receive any remuneration directly from the Company, the information in the table in Section 2.2 also represents an overview of the total remuneration which the Executives have received from other companies within the group of companies to which the Company belongs (the "Group").



2.2. Remuneration of Executives for the reported financial year from the Group

Name and position	1. Fixed remuneration			2. Variable remuneration		3. Extra-ordinary items	4. Pension expense	5. Total remuneration	6. Proportion of fixed and variable remuneration
	Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable				
John Hamilton CEO	603	-	10	198	563	-	13	1,387	44% Fixed 56% Variable
Qazi Qadeer CFO	393	-	5	130	273	-	13	814	49% Fixed 51% Variable

One-year variable remuneration represents the annual bonus.

Fringe benefits include private medical insurance provided for the employees and their dependants under the Company’s policy.

Multi-year variable remuneration includes the Share-based payment charge for 2024 calculated in accordance with IFRS Accounting Standard principles and expensed in the Group’s income statement.

3. SHARE BASED REMUNERATION

3.1. Introduction

The table in Section 3.2 below contains information on the number of Restricted Share Units (“RSUs”) granted or offered for the reported financial year which also includes the main conditions for the exercise of the rights including the exercise price and date and any change thereof appear.

3.2. RSUs granted or offered to the Executives for the reported financial year

Name and position	The main conditions of the RSU							Information regarding the reported financial year					
	Plan	Performance period	Award date	Vesting Date in years after Award Date	End of holding period	Exercise period	Strike price of share	Opening balance	During the year		Closing balance		
John Hamilton, CEO	RSU	3 years	14 June 2024	1/3 after 1 year 1/3 after 2 years 1/3 after 3 years	n/a	Immediately upon vesting	NOK 0.05	338,875	Share options awarded	Share options vested and settled	Share options subject to a performance condition	Share options awarded and unvested	Share options subject to a holding period
Qazi Qadeer, CFO	RSU	3 years	14 June 2024	1/3 after 1 year 1/3 after 2 years 1/3 after 3 years	n/a	Immediately upon vesting	NOK 0.05	157,975	93,509	(72,067)	179,417	179,417	n/a.

4. ANY USE OF THE RIGHT TO RECLAIM VARIABLE REMUNERATION

The Company may demand variable remuneration refunded to the same extent it may demand fixed cash salary refunded following expiry of the employment, typically in the event of erroneous payments or breach of contractual obligations. The Company did not reclaim variable remuneration during the reported financial year.





5. INFORMATION ON HOW THE REMUNERATION COMPLIES WITH THE REMUNERATION POLICY

Please find below an explanation on how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the Company and information on how the performance criteria were applied.

The Company undertakes an evaluation of the Executive remuneration in comparison to the Company policy at least once each year. For the most recent financial year, a review was performed in February 2024.

In order to establish a reasonableness of fixed remuneration, a benchmarking exercise was performed with peer group of external listed companies of a similar set of size and operations. Adjustments to fixed remuneration are made, when necessary, where the Board believes that there is a reasonable adjustment to be made in line with inflation or results of the peer companies comparison. For 2024, a fixed adjustment of a 15% increase was made to each of the CEO and CFO's base salaries.

Variable remuneration was awarded in the form of bonus i.e. short-term cash incentive. The award for 2024 bonus was measured against performance criteria set by the Board at the beginning of year. A bonus of 40.25% was awarded to both the CEO and CFO for the individual performance criteria.

Long-term incentives in the form of RSU awards were given to the leadership team based on performance within the maximum limits allowed under the Company's RSU plan.

With respect to the application of the performance criteria, further information is provided in

Name and position	1 Description of the performance criteria and type of applicable remuneration	2 Relative weighting of the performance criteria	3 Information of performance targets a) Minimum target/ threshold performance and b) Corresponding award	a) Maximum target/ threshold performance and b) Corresponding award	4 a) Measured performance and b) actual award outcome
John Hamilton CEO	Transformational Value drivers – business development activities set by the Board	30%	a) Conclusion of at least two business development activities b) Short-term incentive	a) n/a b) n/a	a) Achieved b) Effective bonus award 12.1%
	Asset level progress including achievement of production milestones and operational targets set by the Board	45%	a) Production and operational milestones on each asset b) Short-term incentive	a) n/a b) n/a	a) Partially achieved due lower actualisation of production and limited achievement of some operational milestones. b) Effective bonus award 18.1%
	Organisation, HSSE, ESG targets set by the Board	25%	b) Short-term incentive	a) n/a b) n/a	a) Achieved b) Effective bonus award 10.05%
Qazi Qadeer CFO	Transformational Value drivers – business development activities set by the Board	30%	a) Conclusion of at least two business development activities b) Short-term incentive	a) n/a b) n/a	a) Achieved b) Effective bonus award 12.1%
	Asset level progress including achievement of production milestones and operational targets set by the Board	45%	a) Production and operational milestones on each asset b) Short-term incentive	a) n/a b) n/a	a) Partially achieved due lower actualization of production and limited achievement of some operational milestones b) Effective bonus award 18.1%
	Organisation, HSSE, ESG targets set by the Board	25%	b) Short-term incentive	a) n/a b) n/a	a) Achieved b) Effective bonus award 10.05%



6. DEROGATIONS AND DEVIATIONS FROM THE REMUNERATION POLICY AND FROM THE PROCEDURE FOR ITS IMPLEMENTATION

There have been no deviations from the Company's procedure for the implementation of the remuneration policy or the remuneration policy itself.

7. COMPARATIVE INFORMATION ON THE CHANGE OF REMUNERATION AND COMPANY PERFORMANCE

The table below in this Section 7 contains information on the annual change of remuneration of each individual Executive, of the performance of the Company and average remuneration on a full-time equivalent basis of employees of the Company other than Executives over the five most recent financial years.

Annual change	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	Information regarding the recent financial year (RFY)
Executive's remuneration (in USD 000)						
John Hamilton CEO	93	491	(398)	90	116	Increase is mainly due to upward revision of base salary following a benchmarking exercise.. The underlying compensation is in GBP and is therefore subject to variation in USD rates which can differ between reporting periods.
Qazi Qadeer CFO	22	265	(179)	90	89	Increase is mainly due to upward revision of base salary following a benchmarking exercise. The underlying compensation is in GBP and is therefore subject to variation in USD rates which can differ between reporting periods.
Company performance for years 2020 to 2024 – change						
EBITDA (in USD million)	(18.6)	57.7	63.5	7.9	17.1	EBITDA growth between 2020 and 2022 include the effect of the acquisition of Block G and additional 10% of Dussafu
2P Reserves (mmboe)	(2.7)	23.5	(0.2)	(0.9)	7.6	2P reserve replacement ratio of 309% due to drilling activities and reservoir performance
Average remuneration on a full-time equivalent basis of employees (in USD 000) – change						
Employees of the Company	-	-	-	-	-	No group employees are directly employed by the Company.
Employees of the Group	473	(70)	2,070	752	269	Does not include Employer social contributions in order to assist comparison to Executive remuneration in section 2.



8. COMPENSATION TO THE BOARD OF DIRECTORS

The remuneration to the Board is decided by the Annual General Meeting each year. Cash remuneration is not linked to the Company's performance and share options will only be granted on recommendation by the Nomination Committee and approval by shareholder vote at a General Meeting.

Members of the Board normally do not generally take on specific assignments for the Company in addition to their appointment as a member of the Board.

Remuneration to members of the Board of Directors who served during the periods presented, is summarised below:

USD 000	2024	2023
Julien Balkany (Chairman of the Board of Directors)	106	106
Torstein Sanness (Deputy Chairman of the Board of Directors)	76	74
Grace Reksten Skaugen	-	25
Alexandra Herger	66	66
Hilde Adland	-	24
Garrett Soden	69	67
Gunnvor Ellingsen	69	43
Total	386	405

In line with the General Meeting approval on 23 May 2024, the Chairman of the Board of Directors' annual remuneration is USD 88,000 and the annual remuneration for the Deputy Chairman of the Board is USD 55,000. The remaining Directors' annual remuneration is USD 48,000. Members of the Audit Committee, the Remuneration Committee and the Sustainability Committee each receive USD 6,000 annually per committee, whereas the Chairman of each committee receives USD 9,000 annually.

Pursuant to the recommendation of the Nominations Committee and the resolutions passed in the Annual General Meeting ("2021 AGM") of the Company, held on 27 May 2021, a share option plan to award share options to the Company's existing members of the Board of Directors, were approved and implemented ("Board Options"). One Board Option entitles the holder to receive one share of capital stock of the Company against payment in cash of the Exercise Price of the option which has been set at NOK 17.34 each for 2021 awards, NOK 31.91 for the 2022 award and NOK 27.40 for the 2023 award. Vesting of the Board Options is time based and the vesting period specific to this grant is from 27 May 2021 to 26 May 2026, where 1/3 of the Board Options vest each year, starting one year after award on the date of the Company's AGM which is generally held in the last week of May each year.

The outstanding options as of 31 December 2024 included 168,000 options that had already vested but not exercised (2023: 112,000). The distribution of outstanding Board Options as of 31 December 2024 amongst the members of the Board of Directors is as follows:

	No of Units - unvested	No of Units - vested and unexercised	Exercise price NOK/share	Exercise period	2024 Fair value expensed USD 000	2023 Fair value expensed USD 000
Current directors						
Julien Balkany	-	48,000	17.34	Up to May 2026	2	9
Torstein Sanness	-	24,000	17.34	Up to May 2026	1	5
Alexandra Herger	-	24,000	17.34	Up to May 2026	1	5
Garrett Soden	-	24,000	17.34	Up to May 2026	1	5
Gunnvor Ellingsen	16,000	8,000	27.40	Up to May 2028	8	6
Total	16,000	128,000			13	30



In addition, the following table summarises individuals (ex-directors) who are no longer part of the Board of Directors and have outstanding Board Options as of 31 December 2024:

	No of Units - unvested	No of Units - vested and unexercised	Exercise price NOK/share	Exercise period	2024 Fair value expensed USD 000	2023 Fair value expensed USD 000
Grace Skaugen	8,000	16,000	31.91	Up to May 2027	7	11
Hilde Adland	-	24,000	17.34	Up to May 2026	-	6
Total	8,000	40,000			7	17



STATEMENT OF DIRECTORS' RESPONSIBILITY

Pursuant to the Norwegian Securities Trading Act section 5-5 with pertaining regulations we hereby confirm that, to the best of our knowledge, the company's financial statements for 2024 have been prepared in accordance with IFRS Accounting Standards, as provided for by the EU, and in accordance with the requirements for additional information provided for by the Norwegian Accounting Act. The information presented in the financial statements gives a true and fair picture of the company's liabilities, financial position and results viewed in their entirety.

To the best of our knowledge, the Board of Directors' Report gives a true and fair picture of the development, performance and financial position of the company, and includes a description of the principal risk and uncertainty factors facing the company.

24 April 2025

The Board of Directors
Panoro Energy ASA

JULIEN BALKANY	TORSTEIN SANNESS	ALEXANDRA HERGER
Chairman of the Board	Deputy Chairman of the Board	Non-Executive Director
GUNVOR ELLINGSEN	GARRETT SODEN	JOHN HAMILTON
Non-Executive Director	Non-Executive Director	Chief Executive Officer



AUDITOR'S REPORT



Statsautoriserte revisorer
Ernst & Young AS

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Foretaksregisteret: NO 976 389 387 MVA
Tlf. +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

To the General Meeting in Panoro Energy ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Panoro Energy ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024 and the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of the Group, which comprise the balance sheet as at 31 December 2024, the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 15 years from the election by the general meeting of the shareholders on 7 July 2010 for the accounting year 2010 (with a renewed election on 25 May 2016).

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the

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financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverable amounts of oil and gas assets including goodwill

Basis for the key audit matter

Oil and gas assets represent a significant part of the Group's assets and the carrying values as of 31 December 2024 amounted to USD 162.3 million in Production rights, USD 19.9 million in License and exploration assets, USD 52.1 million in Goodwill, USD 241.4 million in Production assets and equipment, and USD 86.0 million in Development assets. Oil and gas assets are tested for impairment when impairment indicators are identified. Goodwill is tested for impairment at least annually.

Determining the recoverable amounts of the assets involves significant judgement by management. When estimating the recoverable amounts, the expected cash flow approach is applied. The assumptions used in forecasting future cash flows include assessing future price assumptions, future expected production volumes and capital and operating expenses and discount rates. These critical assumptions are judgmental and forward-looking and may be influenced by future market developments and economic developments, including climate-related matters.

We therefore consider management's determination of recoverable amounts of oil and gas assets to be a key audit matter given the significance of the accounts, the complexity and uncertainty of the estimates and assumptions used by management in the cash flow models.

Our audit response

We evaluated management's methodology, tested the clerical accuracy of the models, and evaluated the reasonableness of the discount rates. We involved valuation specialists in the assessment.

To assess the inputs to the discounted cash flow models we evaluated management's expectation of future commodity prices and compared such assumptions to external market data. We compared reserve volumes to the independent reserve reports, and we analyzed the future capital and operating expenditure profiles.

Additionally, we evaluated management's sensitivity analyses over its future commodity price assumptions by taking into consideration, the Net Zero Emissions by 2050, Announced Pledges, and Stated Policies scenarios estimated by the International Energy Agency (IEA).

We refer to the Group's disclosures in note 2.3 Significant accounting judgments, estimates and assumptions (section Impairment indicators) and note 10.2 Impairment in Oil and Gas Interests in the consolidated financial statements.

Other information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially

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misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance and for the report on payments to governments.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

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draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Panoro Energy ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name PEN-2024-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial

Independent auditor's report - Panoro Energy ASA 2024

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information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Stavanger, 24 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Erik Sørøng
State Authorized Public Accountant (Norway)

Independent auditor's report - Panoro Energy ASA 2024

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STATEMENT ON CORPORATE GOVERNANCE IN PANORO ENERGY ASA

CORPORATE GOVERNANCE

Panoro Energy ASA ("Panoro", "Panoro Energy" or "the Company", and with its subsidiaries; the "Group") aspires to ensure confidence in the Company and the greatest possible value creation over time through efficient decision making, clear division of roles between shareholders, management and the Board of Directors ("the Board") as well as adequate communication.

Panoro Energy seeks to comply with all the requirements covered in The Norwegian Code of Practice for Corporate Governance (the "Code"). The latest version of the Code of 14 October 2021 is available on the website of the Norwegian Corporate Governance Board, nues.no. The Code is based on the "comply or explain" principle, in that companies should explain alternative approaches to any specific recommendation. The Company also seeks to comply with the Oslo Børs Code of Practice for Investor Relation (IR) of 1 March 2021.

Panoro's corporate governance policy is based on the recommendations of the Norwegian Code of Practice for Corporate Governance. The main objective for Panoro Energy ASA's Corporate Governance is to develop a strong, sustainable, competitive and a successful E&P company acting in the best interest of all the stakeholders, within the laws and regulations of the respective countries. The Board and management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

Panoro Energy acknowledges that successful value-added business is profoundly dependent upon transparency and internal and external confidence and trust. Panoro Energy believes that this is achieved by building a solid reputation based on our financial performance, our values and by fulfilling our commitments. Thus, good corporate governance practices combined with Panoro Energy's Code of Conduct is an important tool in assisting the Board to ensure that we properly discharge our duty.

The composition of the Board ensures that the Board represents the common interests of all shareholders and meets the Company's need for expertise, experience, capacity and diversity. The members of the Board are all non-executive and represent a broad range of experience including oil and gas, energy, banking and investment. The composition of the Board ensures that it can operate independently of any special interests. Members of the Board are elected for a maximum period of two years. However, in the last election, the Board was appointed for one year. Recruitment of members of the Board may be phased so that the entire Board is not replaced at the same time. The Chairman of the Board is elected by the General Meeting.

The Board may be given power of attorney by the General Meeting to acquire the Company's own shares. Any acquisition of shares will be carried out through a regulated marketplace at market price, and the Company will not deviate from the principle of equal treatment of all shareholders. If there is limited liquidity in the Company's share at the time of such transaction, the Company will consider other ways to ensure equal treatment of all shareholders. The Company currently holds a shareholder authorisation approved in the 2024 Annual General Meeting to acquire its own shares to a maximum of NOK 584,720 of share capital equivalent to 11,694,400 shares, each with a nominal value of NOK 0.05. From the current year's authorisation, which is due to expire at the 2025 Annual General Meeting, the Company purchased 2,980,300 shares as at 15 April 2024.

The Board may also be given a power of attorney by the General Meeting to issue new shares for specific purposes. Any decision to deviate from the principle of equal treatment by waiving the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital will be justified and disclosed in the stock exchange announcement of the increase in share capital. Such deviation will be made only if it is in the common interest of the shareholders and the Company.

The Company has not granted any loans or guarantees to anyone in the management or any of the directors.

The Company has implemented a policy for Ethical Code of Conduct and work diligently to comply with these guidelines. The full policy is enclosed in this Annual Report (see section Corporate Social Responsibility/ Ethical Code of Conduct).

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

The main objective for Panoro's Corporate Governance is to develop a strong, sustainable and competitive company in the best interest of the shareholders, employees and society at large, within the laws and regulations of the respective country.



The Board and management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

The Board will give high priority to finding the most appropriate working procedures to achieve, inter alia, the aims covered by these Corporate Governance guidelines and principles.

The Code comprises 15 points. The Corporate Governance report is also available on the Company's website www.panoroenergy.com.

2. BUSINESS

Panoro Energy ASA is an independent exploration and production (E&P) company listed on the Oslo Stock Exchange with ticker PEN. The Company holds production, development, and exploration assets in North, West and South Africa.

Production operations in West Africa include the Dussafu License offshore southern Gabon; Block-G production licence in Equatorial Guinea. The North African portfolio comprises concessions as well as the Sfax Offshore Exploration Permit (under relinquishment), and the Ras El Besh concession (under relinquishment), all in the region of the city of Sfax, Tunisia.

The exploration portfolio comprises Block S, Block EG-23 and Block EG-01 offshore Equatorial Guinea; the Niosi and Guduma Marin permits in Gabon and an interest in Technical Co-operation Permit 12/2/218 onshore South Africa.

The Company's business is defined in the Articles of Association §2, which states:

"The Company's business shall consist of exploration, production, transportation and marketing of oil and natural gas and exploration and/or development of other energy forms, sale of energy as well as other related activities. The business might also involve participation in other similar activities through contribution of equity, loans and/or guarantees".

As at 31 December 2024, Panoro Energy currently has four reportable segments with exploration and production of oil and gas, by geographic locations being Equatorial Guinea, Gabon, Tunisia and South Africa.

Vision statement

Our vision is to use our experience and competence in enhancing value in projects in Africa to the benefit of the countries we operate in and the shareholders of the Company.

3. EQUITY AND DIVIDENDS

The Board will ensure that the Company at all times has an equity capital at a level appropriate to its objectives, strategy and risk profile. The oil and gas E&P business is highly capital dependent, requiring Panoro Energy to be sufficiently capitalised. The Board needs to be proactive in order for Panoro Energy to be prepared for changes in the market.

Mandates granted to the Board to increase the Company's share capital or to purchase own shares will normally be restricted to defined purposes and are normally limited in time to the following year's Annual General Meeting. Any acquisition of our shares will be carried out through a regulated marketplace at market price, and the Company will not deviate from the principle of equal treatment of all shareholders. If there is limited liquidity in the Company's shares at the time of such transaction, the Company will consider other ways to ensure equal treatment of all shareholders.

Mandates granted to the Board for issue of shares for different purposes will each be considered separately by the General Meeting. Any decision to deviate from the principle of equal treatment by waiving the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital will be justified and disclosed in the stock exchange announcement of the increase in share capital. Such deviation will be made only in the common interest of the shareholders of the Company.

In 2022, the Company announced its intention to pay cash distributions to shareholders on a regular basis and the Board will continue to consider appropriate timing and size of future distributions.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Panoro Energy has one class of shares representing one vote at the Annual General Meeting. The Articles of Association contains no restriction regarding the right to vote.



All Board members, employees of the Company and close associates must internally clear potential transactions in the Company's shares or other financial instruments related to the Company prior to any transaction. All transactions between the Company and shareholders, shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties, are governed by the Code and the rules of the Oslo Stock Exchange, in addition to statutory law. Any transaction with close associates will be evaluated by an independent third party, unless the transaction requires the approval of the General Meeting pursuant to the requirements of the Norwegian Public Limited Liabilities Companies Act. Independent valuations will also be arranged in respect of transactions between companies in the Group where any of the companies involved have minority shareholders. Any transactions with related parties, primary insiders or employees shall be made in accordance with Panoro Energy's own instructions for Insider Trading. The Company has guidelines to ensure that members of the Board and executive personnel notify the Board if they have any material direct or indirect interest in any transaction entered into by the Company.

5. SHARES AND NEGOTIABILITY

Shares of Panoro Energy are listed on the Oslo Stock Exchange. There are no restrictions on ownership, trading or voting of shares in Panoro Energy's Articles of Association.

6. GENERAL MEETINGS

Panoro Energy's Annual General Meeting is to be held by the end of June each year. The Board will take necessary steps to ensure that as many shareholders as possible may exercise their rights by participating in General Meetings of the Company, and to ensure that General Meetings are an effective forum for the views of shareholders and the Board. An invitation and agenda (including proxy) will be sent out no later than 21 days prior to the meeting to all shareholders in the Company. The invitation will also be distributed as a stock exchange notification. The invitation and support information on the resolutions to be considered at the General Meeting will furthermore normally be posted on the Company's website www.panoroenergy.com no later than 21 days prior to the date of the General Meeting.

The recommendation of the Nomination Committee will normally be available on the Company's website at the same time as the notice.

Panoro Energy will ensure that the resolutions and supporting information distributed are sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered at the meeting.

The Chairman of the Board and the CEO of the Company are normally present at the General Meetings. Other Board members and the Company's auditor will aim to be present at the General Meetings. Members of the Nomination Committee are requested to be present at the AGM of the Company. An independent person to chair the General Meeting will, to the extent possible, be appointed. Normally the General Meetings will be chaired by the Company's external corporate lawyer.

Shareholders who are unable to attend in person will be given the opportunity to vote by proxy. The Company will nominate a person who will be available to vote on behalf of shareholders as their proxy. Information on the procedure for representation at the meeting through proxy will be set out in the notice for the General Meeting. A form for the appointment of a proxy, which allows separate voting instructions for each matter to be considered by the meeting and for each of the candidates nominated for elections will be prepared. Approval of annual accounts, dividend, remuneration to the Board and the election of the auditor, among the matters that will be decided at the AGM. After the meeting, the minutes are released on the Company's website.

7. NOMINATION COMMITTEE

The Company shall have a Nomination Committee consisting of 2 to 3 members to be elected by the Annual General Meeting for a two-year period. The Annual General Meeting elects the members and the Chairperson of the Nomination Committee and determines the committee's remuneration. The Company will provide information on the member of the Nomination Committee on its website.

The Company aims at selecting the members of the Nomination Committee taking into account the interests of shareholders in general. The majority of the Nomination Committee shall as a rule be independent of the Board and the executive management. The Nomination Committee currently consists of four members, all of which are independent of the Board and the executive management.



The Nomination Committee's duties are to propose to the General Meeting shareholder elected candidates for election to the Board and the Nomination Committee, and to propose remuneration to the Board. The Nomination Committee justifies its recommendations, and the recommendations take into account the interests of shareholders in general and the Company's requirements in respect of independence, expertise, gender, capacity and diversity.

The Nomination Committee is described in the Company's Articles of Association and the General Meeting may stipulate guidelines for the duties of the Nomination Committee.

8. BOARD OF DIRECTORS – COMPOSITION AND INDEPENDENCE

The composition of the Board ensures that the Board represents the common interests of all shareholders and meets the Company's need for expertise, capacity and diversity. The members of the Board represent a wide range of experience including shipping, offshore, energy, banking and investment. The composition of the Board ensures that it can operate independently of any special interests. Members of the Board are elected for a period of two years, unless the General Meeting approves a shorter term. Recruitment of members of the Board may be phased so that the entire Board is not replaced at the same time. The General Meeting elects the Chairman and any Deputy Chairman of the Board. The Company's website and annual report provides detailed information about the Board members expertise and independence. The Company has a policy whereby the members of the Board are encouraged to own shares in the Company, but to dissuade from a short-term approach which is not in the best interests of the Company and its shareholders over the longer term.

9. THE WORK OF THE BOARD OF DIRECTORS

The Board has the overall responsibility for the management and supervision of the activities in general. The Board decides the strategy of the Company and has the final say in new projects and/or investments. The Board's instructions for its own work as well as for the executive management have particular emphasis on clear internal allocation of responsibilities and duties. The Chairman of the Board ensures that the Board's duties are undertaken in efficient and correct manner. The Board shall stay informed of the Company's financial position and ensure adequate control of activities, accounts and asset management. The Board member's experience and skills are crucial to the Company both from a financial as well as an operational perspective. The Board will consider evaluating its performance and expertise annually. The CEO is responsible for the Company's daily operations and ensures that all necessary information is presented to the Board.

An annual schedule for the Board meetings is prepared and discussed together with a yearly plan for the work of the Board.

The Company has guidelines to ensure that members of the Board and executive personnel notify the Board if they have any material direct or indirect interest in any transaction entered into by the Company. Should the Board need to address matters of a material character in which the Chairman is or has been personally involved, the matter will be chaired by the Deputy Chairman of the Board to ensure a more independent consideration.

In addition to the Nomination Committee elected by the General Meeting, the Board has the following sub-committees of the Board:

An Audit Committee chaired by Garrett Soden, with the objective to focus on internal control, independence of the auditor, risk management and the Company's financial standing;

A Remuneration Committee chaired by Torstein Sanness, to oversee and determine compensation of the CEO and other senior executives, maintaining and reviewing overall compensation strategy and policies to align with the Company's goals, performance evaluation and ensuring that the company's compensation practices comply with legal and regulatory requirements and best practice;

A Sustainability Committee chaired by Gunnvor Ellingsen to integrate ESG performance and ambitions into the Company's practices, address climate-related issues and ensure alignment with the highest standards of safe and sustainable business practices.

Each of the above committees comprises of five members which are independent of the executive management.

10. RISK MANAGEMENT AND INTERNAL CONTROL

Financial and internal control, as well as short- and long-term strategic planning and business development, all according to Panoro Energy's business idea and vision and applicable laws and regulations, are the Board's responsibilities and the essence of its work. This emphasises the focus on ensuring proper financial and internal control, including risk control systems.



The Board approves the Company's strategy and level of acceptable risk, as documented in the guiding tool "Risk Management" described in the relevant note in the consolidated financial statements in the Annual Report.

The Board carries out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

For further details on the use of financial instruments, refer to relevant note in the consolidated financial statements in the Annual Report and the Company's guiding tool "Financial Risk Management" described in relevant note in the consolidated financial statements in the Annual Report.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration to the Board will be decided by the Annual General Meeting each year.

Panoro Energy is a diversified company, and the remuneration will reflect the Board's responsibility, expertise, the complexity and scope of work as well as time commitment.

The cash remuneration to the Board is not linked to the Company's performance and share options will only be granted to Board members subject to recommendation by the Nomination Committee and approval by shareholder vote at a General Meeting. Remuneration in addition to normal director's fee will be specifically identified in the Annual Report.

Members of the Board normally do not generally take on specific assignments for the Company in addition to their appointment as a member of the Board.

12. REMUNERATION OF THE EXECUTIVE PERSONNEL

The Board has established guidelines for the remuneration of the executive personnel. The guidelines set out the main principles applied in determining the salary and other remuneration of the executive personnel. The guidelines ensure convergence of the financial interests of the executive personnel and the shareholders.

Panoro Energy has appointed a Remuneration Committee (RC) which meets at least once annually. The objective of the RC is to determine the compensation structure and remuneration level of the Company's CEO. Remuneration to the CEO shall be at market terms and decided by the Board and made official at the AGM every year. Remuneration to other key executives shall be proposed by the CEO to the RC.

The remuneration shall, both with respect to the chosen kind of remuneration and the amount, encourage addition of values to the Company and contribute to the Company's common interests – both for management as well as the owners.

Detailed information about options and remuneration for executive personnel and Board members is provided in the Annual Report and in accordance with section 6-16b of the Norwegian Public Limited Companies Act.

13. INFORMATION AND COMMUNICATIONS

The Company has established guidelines for the Company's reporting of financial and other information.

The Company publishes an annual financial calendar including the dates the Company plans to publish the quarterly and interim updates and the date for the Annual General Meeting. The calendar can be found on the Company's website and will also be distributed as a stock exchange notification and updated on Oslo Stock Exchange's website. The calendar is published at the end of a fiscal year, according to the continuing obligations for companies listed on the Oslo Stock Exchange. The calendar is also included in the Company's interim reports.

All shareholders information is published simultaneously on the Company's web site and to appropriate financial news media.

Panoro Energy normally makes four quarterly presentations a year to shareholders, potential investors and analysts in connection with quarterly earnings reports. The quarterly presentations are held through webinars to facilitate participation by all interested shareholders, analysts, potential investors and members of the financial community. A question-and-answer session is held at the end of each presentation to allow management to answer the questions of attendees. A recording of the webinar presentation is retained on the Company's website www.panoroenergy.com for a limited number of days.

The Company also makes investor presentations at conferences in and out of Norway. The information packages presented at such meetings are published simultaneously on the Company's web site.



The Chairman, CEO and CFO of Panoro Energy are the only people who are authorised to speak to, or be in contact with the press, unless otherwise described or approved by the Chairman, CEO and/or CFO.

14. TAKE-OVERS

Panoro Energy has established the following guiding principles for how the Board will act in the event of a take-over bid.

As of today, the Board does not hold any authorisations as set forth in Section 6-17 of the Securities Trading Act, to effectuate defence measures if a takeover bid is launched on Panoro Energy.

The Board may be authorised by the General Meeting to acquire its own shares but will not be able to utilise this in order to obstruct a takeover bid, unless approved by the General Meeting following the announcement of a takeover bid.

The Board of Directors will generally not hinder or obstruct take-over bids for the Company's activities or shares.

As a rule, the Company will not enter into agreements with the purpose to limit the Company's ability to arrange other bids for the Company's shares unless it is clear that such an agreement is in the common interest of the Company and its shareholders. As a starting point the same applies to any agreement on the payment of financial compensation to the bidder if the bid does not proceed. Any financial compensation will as a rule be limited to the costs the bidder has incurred in making the bid. The Company will generally seek to disclose agreements entered into with the bidder that are material to the market's evaluation of the bid no later than at the same time as the announcement that the bid will be made is published.

In the event of a take-over bid for the Company's shares, the Board of Directors will not exercise mandates or pass any resolutions with the intention of obstructing the take-over bid unless this is approved by the General Meeting following announcement of the bid.

If an offer is made for the Company's shares, the Board will issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. The Board will also arrange a valuation with an explanation from an independent expert. The valuation will be made public no later than at the time of the public disclosure of the Board's statement. Any transactions that are in effect a disposal of the Company's activities will be decided by a General Meeting.





15. AUDITOR

The auditor will be appointed by the General Meeting.

The Board has appointed an Audit Committee as a sub-committee of the Board, which will meet with the auditor regularly. The objective of the committee is to focus on internal control, independence of the auditor, risk management and the Company's financial standing.

The auditors will send a complete Management Letter/Report to the Board – which is a summary report of risks faced by the business. The auditor participates in meetings of the Board that deal with the annual accounts, where the auditor reviews any material changes in the Company's accounting principles, comments on any material estimated accounting figures and reports all material matters on which there has been disagreement between the auditor and the executive management of the Company.

In view of the auditor's independence of the Company's executive management, the auditor is also present in at least one Board meeting each year at which neither the CEO nor other members of the executive management are present.

Panoro Energy places importance on independence and has established guidelines in respect of retaining the Company's external auditor by the Company's executive management for services other than the audit.

The Board reports the remuneration paid to the auditor at the Annual General Meeting, including details of the fee paid for audit work and any fees paid for other specific assignments.





16. COUNTRY-BY-COUNTRY REPORT 2024

This report is prepared in accordance with the Norwegian Accounting Act and the Securities Trading Act. It states that the companies engaged in the activities within the extractive industries shall annually prepare and publish a report containing information about investments, revenue, production, cost and the number of employees in each country of operation by subsidiary. Among other requirements, total payments to governmental bodies during the financial year must be broken down by country and by payment type.

Additional information can be found in Note 3: Operating segments of the Panoro consolidated financial statements.

Amounts in USD 000, unless otherwise stated

License, legal entity level and country /region of operation ¹	Country of incorporation ²	Royalty ³	Net production (bopd)	Corporate income tax ⁴	Other tax ⁵	Investments ⁶	Revenue ⁷	Expenditure ⁸	Net inter company interest ⁹	Profit/ (loss) before tax ⁷	Tax expense/ (income) ¹⁰	Equity ⁷	No of Empl/ yees ¹¹
Panoro Equatorial Guinea Limited	Isle of Man	-	3,567	750	50	164,460	101,424	76,201	1,994	33,720	(9,989)	78,355	2
Panoro EG Exploration Limited	UK	-	-	-	527	4,214	-	23	-	(23)	-	13	-
Total Equatorial Guinea		-	3,567	750	577	168,674	101,424	76,224	1,994	33,697	(9,989)	78,368	2
Pan-Petroleum Gabon B.V.	Netherlands	-	-	-	(2)	-	-	-	-	-	-	(16,285)	-
Panoro Energy Gabon Production SA	Gabon	-	-	-	(9)	-	-	-	-	-	-	5	-
Panoro Gabon Exploration Limited	UK	-	-	-	-	-	-	18	-	(18)	-	(32)	-
Pan-Petroleum Oil & Gas Gabon SA	Gabon	7,070	4,843	-	17,057	244,537	149,927	81,951	(8,488)	56,630	17,057	45,483	1
Total Gabon		7,070	4,843	-	17,046	244,537	149,927	81,969	(8,488)	56,612	17,057	29,171	1
Panoro Tunisia Exploration AS ¹²	Norway	-	-	-	-	13	-	8,379	-	(8,398)	-	(21,611)	-
Panoro TPS (UK) Production Limited ¹²	UK	-	1,540	20,231	-	62,661	33,707	17,045	83	20,105	10,280	35,530	10
Panoro TPS Production GmbH - in liqui ¹²	Austria	-	-	-	-	-	-	5	23	(2,253)	-	30,607	-
Total Tunisia		-	1,540	20,231	-	62,674	33,707	25,429	106	9,454	10,280	44,526	10
Panoro 2B Limited	UK	-	-	-	-	-	-	451	-	(450)	-	(863)	-
Total South Africa		-	-	-	-	-	-	451	-	(450)	-	(863)	-
Panoro Energy ASA	Norway	-	-	-	-	-	4,273	(242)	(5,768)	-	-	184,328	-
Sfax Petroleum Corporation AS ¹²	Norway	-	-	-	-	-	275	-	(275)	-	-	26,927	-
Panoro Energy AS ¹²	Norway	-	-	-	-	-	6	-	(6)	-	-	(558)	-
Panoro Tunisia Production AS ¹²	Norway	-	-	-	-	-	10	(23)	(34)	-	-	32,744	-
Panoro Energy do Brasil Ltda	Brazil	-	-	-	-	-	-	72	-	(73)	-	(128)	-
Panoro Energy Limited	UK	-	-	-	-	291	-	8,784	-	55	202	542	14
African Energy Equity Resources Limited	UK	-	-	-	-	-	-	-	-	-	-	(84,431)	-
Pan-Petroleum (Holding) Cyprus Limited	Cyprus	-	-	-	-	-	-	-	-	-	-	137,149	-
Pan-Petroleum Holding B.V.	Netherlands	-	-	-	-	-	-	81	(31)	(112)	-	(1,101)	-
Panoro Energy Holding B.V.	Netherlands	-	-	-	-	-	-	1,186	6,684	(2,223)	-	147,065	-
Energy Equity Resources AJE Limited	Nigeria	-	-	-	-	-	-	-	-	-	-	15,709	-



License, legal entity level and country /region of operation ¹	Country of incorporation ²	Royalty ³	Net production (bopd)	Corporate income tax ⁴	Other tax ⁵	Investments ⁶	Revenue ⁷	Expenditure ⁸	Net inter company interest ⁹	Profit/ (loss) before tax ⁷	Tax expense/ (income) ¹⁰	Equity ⁷	No of Empl' yees ¹¹
Energy Equity Resources Oil and Gas Limited	Nigeria	-	-	-	-	-	-	-	-	-	-	2,122	-
Syntroleum Nigeria Limited	Nigeria	-	-	-	-	-	-	-	-	-	-	30,108	-
PPN Services Limited	Nigeria	-	-	-	-	-	-	-	-	-	-	(57)	-
Energy Equity Resources (Cayman Islands) Limited	Cayman Islands	-	-	-	-	-	-	-	-	-	-	-	-
Energy Equity Resources (Nominees) Limited	Cayman Islands	-	-	-	-	-	-	-	-	-	-	-	-
Total Other		-	-	-	-	291	-	14,687	6,388	(8,436)	202	490,419	14
Eliminations / Intercompany						86,266	-	(9,097)	-	(12,649)	-	(367,508)	
Grand total		7,070	9,950	20,981	17,623	562,442	285,058	189,663	-	78,228	17,550	274,113	27

- Country/region of operation is the country where the company carries out its main activity.
- Country of incorporation is the jurisdiction in which the legal entity is registered.
- Royalty represents payments made in cash that exclude in-kind royalties which are not part of Panoro's entitlement under respective PSCs.
- Corporate tax received/-paid during the year.
- Other tax represent a statutory payment to the Equatorial Guinea Government on finalisation of Block EG-01 and Block S PSCs and the monetary value of the State profit oil under the Dussafu PSC, which is paid in kind.
- Investments as presented in the consolidated financial statements and include estimate changes in asset retirement obligations.
- Revenues, expenditure, profit/-loss before tax and equity at entity level in accordance with the accounting principles in the consolidated financial statements and include intercompany transactions. Audit of statutory financial statements has not been completed at the time of issuing this report.
- Expenditure as presented in accordance with the accounting principles in the consolidated financial statements and includes cost of goods sold, administrative expenses, other operating expenses and exploration costs expensed including intercompany transactions.
- Net intercompany interest income /-expense to/from Group companies incorporated in another jurisdiction.
- Tax income/-expense for the year.
- Number of employees at year-end.



GLOSSARY AND DEFINITION

Bbl	One barrel of oil, equal to 42 US gallons or 159 litres
Bcf	Billion cubic feet
Bm³	Billion cubic meters
BOE	Barrel of oil equivalent
bopd	Barrels of oil per day
Btu	British Thermal Units, the energy content needed to heat one pint of water by one degree Fahrenheit
M³	Cubic meters
MMbbls	Million barrels of oil
MMBOE	Million barrels of oil equivalents
MMBtu	Million British thermal units
MMm³	Million cubic meters
TRIR	Total Recordable Incident Rate





Panoro Energy ASA

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Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 06.09.2010	Vår dato 09.09.2010
Telefon 22077325	Deres referanse Finn Ole Edstrøm	Vår referanse 2010/892809

Ernst & Young AS
Oslo Atrium Postboks 20
0051 OSLO

Søknad om tillatelse til å unnlate å utarbeide årsregnskap og årsberetning på norsk språk for Panoro Energy ASA, org. nr: 994 051 067

Det vises til Deres søknad av 6. september 2010 hvor De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Panoro Energy ASA.

Bakgrunn:

Selskapet er et internasjonalt olje og gass selskap med hovedkontor i Oslo, og hvor aksjene er notert på Oslo Børs. Den operasjonelle driften er i det vesentlige konsentrert rundt Vest Afrika og Brasil. Selskapets arbeidsspråk er derfor engelsk og all intern rapportering og møtevirksomhet skjer på engelsk språk. Det er opplyst i søknaden at 71 % av aksjonærene er internasjonale. Oslo Børs har gitt dispensasjon fra vphl § 5-13 vedrørende krav til språk ved rapportering til dem. Selskapet søker om dispensasjon fra kravet til norsk språk i årsregnskapet og årsberetningen da selskapet mener det ikke er interessenter til den norske versjonen, og at denne kun utarbeides for å dekke regnskapslovens krav.

Skattedirektoratets vurdering og konklusjon

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon.

Postadresse Postboks 9200 Grønland 0134 Oslo skattedirektoratet@skatteetaten.no	Besøksadresse Fredrik Selmers vei 4 Org. nr: 974761076	Sentralbord 800 80 000 Telefaks 22 17 08 60
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Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at selskapet alt benytter engelsk språk ved kommunikasjon med sine aksjonærer, og at Oslo Børs har gitt dispensasjon til å benytte engelsk ved rapportering av aksjonærinformasjon til dem. En betydelig del av aksjene eies fra utlandet eller av profesjonelle investorer. Selskapet opererer innen en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Alle sentrale aktører og samarbeidsparter innen denne bransjen, antas å måtte beherske og benytte engelsk språk.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Panoro Energy ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad