



Panoro Energy – 2023 Half Year Results

Oslo, 24 August 2023 – Panoro Energy ASA (“Panoro” or the “Company” with OSE Ticker: PEN) is pleased to report financial and operational performance for the first half of 2023 in line with its expectations.

Revenue for the first half of 2023 was USD 66.3 million (up 206 percent year-on-year) while EBITDA for the period was USD 38.9 million (up 87 percent year-on-year). Working interest production from Panoro’s diversified portfolio has recently reached levels of up to 11,000 bopd and is set to exceed 13,000 bopd upon completion of the current six-well production drilling campaign underway offshore Gabon.

During the second half of the year, Panoro expects to lift and sell over two million barrels of oil, the vast majority of the Company’s expected 2023 liftings, and commence the planned three-well infill drilling campaign in Equatorial Guinea, which is expected to deliver additional volume in 2024.

Panoro has today declared a Q2 cash dividend of NOK 0.342 per share (representing a cash payment to shareholders of NOK 40 million).

John Hamilton, CEO of Panoro, commented:

“We continue to make good progress towards delivering our organic output targets with the drill-bit, having achieved excellent results from the first three of six planned new production wells at the Hibiscus Ruche Phase I development in Gabon. In line with our previously communicated lifting schedule, we expect Panoro’s revenue to step up materially in the second half as we sell the vast majority of our 2023 crude oil entitlement. We remain fully committed to converting the strong fundamentals and cash generative potential of Panoro’s high-quality asset base into sustainable shareholder returns whilst maintaining our growth strategy and disciplined capital management. We are pleased to announce today the Board has declared a second quarter cash dividend for payment in September 2023 in alignment with our lifting schedule.”

Corporate and Financial Update

Production

- Recent group production has reached levels of up to 11,000 bopd, following completion in July of the third Hibiscus well and start-up of the new gas lift compressor onboard the FPSO BW Adolo offshore Gabon
- Working interest production is expected to increase to in excess of 13,000 bopd when all six new Hibiscus Ruche Phase I wells are onstream
- Average full-year working interest production guidance range has narrowed to 9,500 - 10,500 bopd, as previously communicated
- Working interest production averaged 7,220 bopd in the first half (H1 2022: 7,860 bopd) and was 8,090 bopd in Q2

Financial update

- The Company recognises revenue when liftings of its crude oil entitlement occur. As previously guided, Panoro lifted and sold a limited volume of 52,830 barrels in Q2 as domestic sales in Tunisia resulting in revenue of USD 3.4 million during the period
- Reported revenue in the first half was USD 66.3 million (H1 2022: USD 21.7 million) of which USD 63.0 million was generated from the sale of 835,750 barrels at an average realised price of USD 75.42 per barrel after customary fees and discounts
- Reported EBITDA for the first half was USD 38.9 million (H1 2022: USD 20.8 million)
- Underlying operating profit before tax (after adjusting for certain non-cash and unrealised gain/loss) for the first half was USD 15.6 million (H1 2022: underlying operating loss of USD 7.8 million)
- Capital expenditures in the first half were USD 32.9 million excluding net acquisition costs in relation to the acquisition of minority interest in the Tunisia business (USD 35.9 million including acquisition costs)
- Management expects the majority of its 2023 crude oil liftings to occur in the second half of the year. Total crude liftings in 2023 are expected to be approximately 3 million barrels
- Positive crude oil inventory of 645,000 barrels at 30 June 2023
- Cash at bank at 30 June was USD 31.8 million, which includes advances of USD 17.4 million taken against high crude inventory position to smooth working capital. Net debt at 30 June 2023 was USD 50.4 million
- Amounts owing under reserve-based loans at 30 June 2023 was USD 83.7 million after principal drawdown in April of USD 15.3 million, following the refinancing of the Tunisia senior secured facility previously in place into the Company's RBL facility, in conjunction with completion of the Tunisia acquisition
- Hedges in place covering 100,000 barrels in month of August (collar with floor price of USD 79 per barrel and ceiling price of USD 84.28 per barrel). Further hedges under consideration
- Receivable of USD 16.4 million in relation to DMO sales in Tunisia (31 March 2023: USD 7.8 million). Of the total increase of USD 8.6 million, USD 3.5 million relates to an increase in DMO receivables and USD 5.1 million to the effect of the Tunisia acquisition

Dividend

- Q2 cash dividend declared of NOK 0.342 per share (representing a cash payment to shareholders of NOK 40 million) to be paid on or around 20 September 2023

Operational Update

Equatorial Guinea – Block G (Panoro 14.25%)

- Working interest production for the first half of 2023 averaged approximately 3,650 bopd (gross production 25,580 bopd)
- The next infill drilling campaign is expected to commence in Q4 2023 following a two well workover programme utilising the drilling rig. Three new infill production wells will be drilled and put onstream in 2024 to deliver additional new production volumes
- Workovers, field life extension and asset integrity projects continued in the Ceiba and Okume Complex fields

Gabon – Dussafu Marin Permit (Panoro 17.5%)

- Working interest production for the first half of 2023 averaged approximately 1,980 bopd (gross production 11,290 bopd)
- Three of the planned six new production wells at the Hibiscus Ruche Phase 1 development were safely drilled, completed and put onstream:
 - DHIBM-3H well put instream in April at a gross rate of 6,000 bopd
 - DHIBM-4H well put onstream in June at a gross rate of 6,000 bopd
 - DHIBM-5H well put onstream in July at a gross rate of 6,000 bopd
- Drilling and completion operations are underway on the fourth new production well, DHIBM-6H
- In July, the new gas lift compressor started up on the BW Adolo FPSO and will support production from all six existing wells at the Tortue field once fully operational
- Total gross production at the Dussafu Marin Permit reached up to 30,000 bopd in late July

Tunisia – TPS Assets (Panoro 29.4% until 25 April 2023; 49% afterwards)

- Working interest production for the first half of 2023 averaged approximately 1,590 bopd (gross production 4,250 bopd)
- Completed the acquisition of the 40 percent minority interest that Panoro did not own in the Tunisian business in April:
 - Adds an estimated 2.96 million barrels of net 2P reserves (100 percent oil) and 800 to 900 bopd net production
- Recompletion of the GUE-03, GUE-14 and GUE-10AST wells safely completed without incident
- New production opportunities include a workover campaign comprising ESP replacement and stimulation of three wells at the Cercina field

Exploration

- At Block S, offshore Equatorial Guinea, the partners are planning to drill the Kosmos Energy operated Akeng Deep exploration well in 2024 to test a play in the Albian, targeting an estimated gross mean resource of approximately 180 million barrels of oil equivalent in close proximity to existing infrastructure at Block G
- At the Panoro operated Block EG-01, offshore Equatorial Guinea, subsurface studies based on existing seismic data are being undertaken to further define and evaluate the prospectivity of the block
- Further exploration wells at Dussafu in Gabon are also being considered, using optional well slots under the current rig contract
- Application for an Exploration Right covering part of TCP 218 located onshore in Free State, South Africa, is currently in progress

Webinar Presentation

The company will hold a live webinar presentation at 09:00 a.m. CEST during which management will discuss the results and operations, followed by a Q&A session.

The webinar presentation can be accessed through registering at the link below and the online event will be equipped with features to ask live questions. Joining instructions for participating online or through using local dial-in numbers will be available upon completion of registration. The webinar details are as follows:

Date and Time:	24 August 2023, 09:00 am CEST
Registration:	<p>https://attendee.gotowebinar.com/register/9155826171935012187</p> <p><i>After registering, participants will receive a confirmation email containing information about joining the webinar.</i></p> <p><i>Participants can use their telephone or computer microphone and speakers (VoIP).</i></p>

Please join the event at least ten minutes before the scheduled start time.

A replay of the webinar will be available shortly after the event is finished and will remain on our website (www.panoroenergy.com) for approximately 7 days.

Enquiries

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About Panoro Energy

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 and Block EG-01 offshore Equatorial Guinea, the Dussafu Marin License offshore southern Gabon, the TPS operated assets, Sfax Offshore Exploration Permit and Ras El Besh Concession, offshore Tunisia, and interests in offshore Block 2B and onshore Technical Co-operation Permit 218 in South Africa.

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