PETRONOR E&P

Annual Report 2024

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About PetroNor E&P

PetroNor E&P in brief

PetroNor E&P ASA is an independent oil and gas company listed on the Oslo Stock Exchange (PNOR), led by a board and management team with extensive expertise in oil and gas exploration, development, and production.

Business model

OUR MISSION

Our mission is to enhance shareholder value by utilising the technical and commercial capabilities of the company to improve our reserve base, production, and cash flow. PetroNor E&P adheres to high standards of corporate governance and strives to achieve operational excellence safely and efficiently.

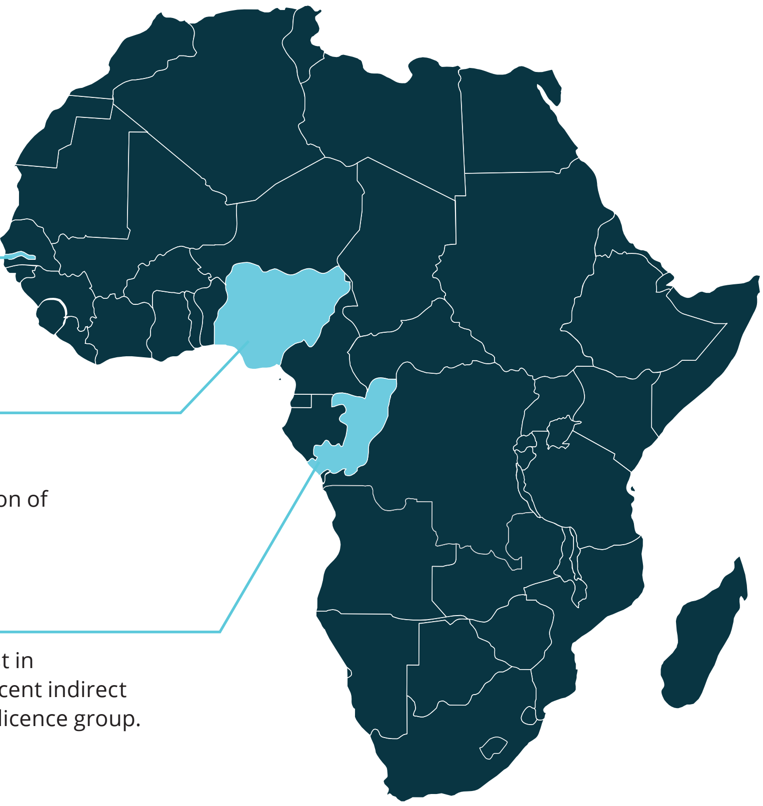
OUR VISION

Our strategic vision is to progressively develop the company into a full cycle, Africa-focused exploration and production company, with an emphasis on producing and developing assets that have significant potential for growth.

OUR WORK

We are an independent oil and gas exploration and production company with licenses in the Republic of the Congo, The Gambia and Nigeria. Our portfolio includes strong production, development potential and promising exploration targets in West Africa.

Key asset locations



THE GAMBIA

90 per cent interest in The Gambia A4 licence.

NIGERIA

20.2 per cent economic interest in Aje field in licence OML 113.
(Additional 32.1 per cent pending completion of New Age transaction).

CONGO BRAZZAVILLE

16.83 per cent indirect participating interest in PNGF Sud offshore licence group. 22.7 per cent indirect participating interest in PNGF Bis offshore licence group.

2024 Highlights

Net profit (USD million):

42.2

2023: **79.1**

2P Reserves (MMbbls):

16.0

2023: **16.1**

Earnings per share (USD cents):

24.7

2023: **35.0**

EBITDA (USD million):

102.4

2023: **121.8**

2C Contingent resources (MMboe):

35.2

2023: **36.7**

Net cash (USD million):

79.7

2023: **40.75**

EBIT (USD million):

82.0

2023: **104.5**

Market capitalisation (USD million):

160.2

2023: **105.0**

- Record oil sales of 1.8 MMbbls at average realised price of USD 77.94/bbl, compared with net entitlement volumes of 1.5 MMbbls at average realised price of USD 78.30/bbl in 2023
- Average net allocated production of 4,814 bopd in 2024
- PNGF Sud's complex of power and gas supply is now independent of third parties following an infrastructure improvement programme
- Infill well in Tchibeli NE pre-salt Vanji drilled during the year as part of the much larger drilling programme (total of 18)
- Progressing New Age deal awaiting government approval which will give PetroNor a 52 per cent economic interest in the Aje project
- Implemented the announced return to shareholders and delivered a USD 25.6 million return of capital equivalent to NOK 2 per share post year end

Chief executive officer:

Cash generation and shareholder returns

As we close the chapter on 2024, I am pleased to report that PetroNor E&P has continued to deliver strong operational and financial performance. The year has been characterised by record-high oil sales, improving production efficiency, and important strategic developments. Our operations in Congo remain at the core of our business, generating solid cash flows that have enabled the company to return capital to shareholders while continuing to invest in future growth.

RECORD OIL SALES AND OPERATIONAL RESILIENCE

In 2024, PetroNor sold a record 1.8 million barrels of net entitlement oil, generating USD 140 million in cash revenues at an average realised price of USD 77.94 per barrel. This marks a continued positive trend from the previous year, underlining the strength of our producing asset at PNGF Sud and the strategic relationship with ADNOC who lifted and sold our entitlement oil.

Our average net allocated working interest production for the year was 4,814 bopd, slightly lower than the previous year due to natural reservoir decline and workover delays. However, the operational outlook is improving, with production efficiency increasing throughout the year as infrastructure upgrades and well interventions have stabilised operations. The new Tchendo 2 platform, commissioned in April, has made PNGF Sud self-sufficient in power and gas supply, reducing reliance on third-party imports and improving long-term production stability.

Our infill drilling program in 2024 comprised a well targeting pre-salt Vandji at Tchibeli NE. This well was part of a campaign aimed at increasing production capacity across the field. For 2025, five new wells are planned for Tchibouela East, further strengthening production capacity.

SHAREHOLDER RETURNS AND FINANCIAL STRENGTH

PetroNor's strong financial position enabled us to make our first cash distribution to shareholders in January 2025, in line with our stated dividend policy, with NOK 2 per share returned. Our ability to generate stable cash flows from Congo's producing assets remains the foundation of our strategy, ensuring capital discipline while delivering value to shareholders.

The company ended the year with USD 79.7 million in cash, and, following a major December lifting of 881,192 barrels, the largest single lifting in company history, received an additional USD 64 million in January 2025. This large lifting has resulted in an overlift position of approximately 450,000 barrels, which will be replenished by production in the first half of 2025 before the next lifting scheduled for H2 2025.

AJE REDEVELOPMENT AND PORTFOLIO UPDATES

The redevelopment of Aje in OML 113 in Nigeria is being progressed jointly with the license partners. The current project focus is to refine inputs to the field development plan with the results of soon to be completed depth mapping of the gas condensate and underlying oil reservoirs. In addition, an environmental and social impact assessment is being conducted which will influence the final development plan. On the commercial work front, the acquisition of New Age's licence interests awaits approval from the regulatory authorities. The completion of this transaction is expected to simplify decision making for the remaining partnership.

In Guinea-Bissau, we understand the outcome of the Atum-1X well, spudded in September 2024 after PetroNor's 100 per cent farm-out to Apus Energy, is still under evaluation by the operator. In the meantime we continue a technical work program in the A4 licence of The Gambia to refine our views on the chance of success of the identified exploration prospects.

REGULATORY MATTERS

The investigations initiated by Norwegian and U.S. authorities during 2021/22 remain ongoing. While the timeline remains outside our control, we expect greater clarity on the way forward during 2025. PetroNor remains fully committed to cooperating with authorities while continuing to execute our business strategy.

OUTLOOK FOR 2025 AND BEYOND

Looking ahead, PetroNor remains focused on maximising value from its cash-generating assets in Congo, continuing to enhance production efficiency, and returning capital to shareholders. Our infill drilling in 2025 is expected to boost production capacity, and the recent investments in power self-sufficiency of the PNGF Sud complex will ensure more stable operations going forward.

With the strongest balance sheet in the company's history, we are well-positioned to continue organic investment opportunities within our current assets while maintaining our commitment to financial discipline and shareholder returns.

PetroNor remains focused on maximising value from its cash-generating assets in Congo, continuing to enhance production efficiency, and returning capital to shareholders

I would like to extend my sincere thanks to our employees, partners, and stakeholders for their continued dedication and support. As we move into 2025, we remain committed to driving growth, maximising asset value, and delivering strong returns to our shareholders.

Sincerely,

Jens Pace

Jens Pace
CEO, PetroNor E&P

Net interest:

16.83%

Producing wells:

72

2P Reserves (net) (MMbbl):

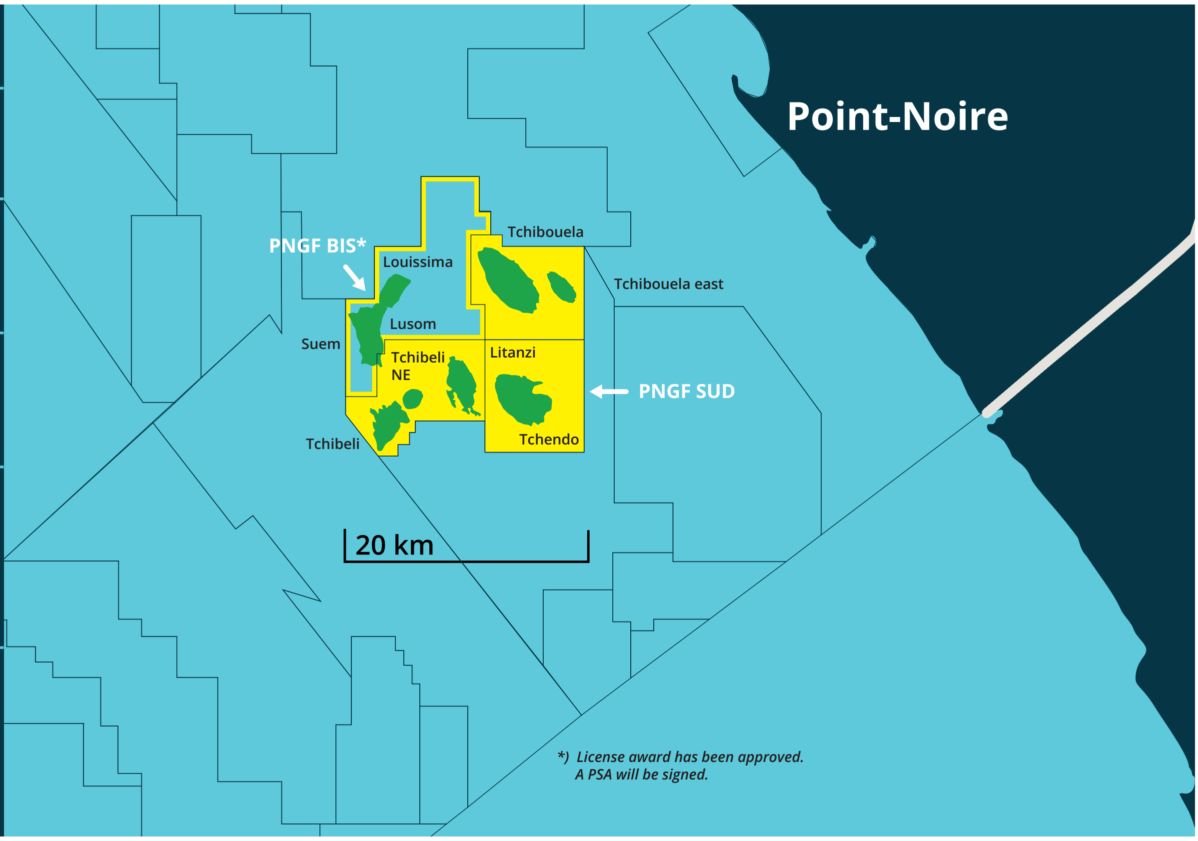
16.0

2C Resources (net) (MMbbl):

7.9

Accumulated gross 2024 production (MMbbl):

10.4



Production:

Congo Brazzaville

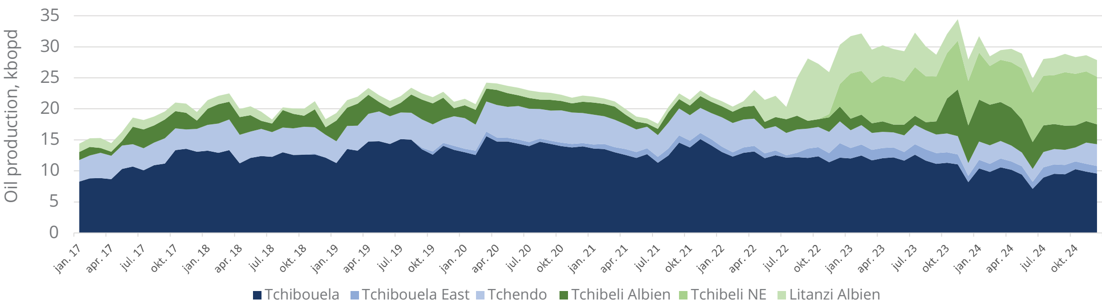
The Republic of Congo (Congo Brazzaville) is an established oil-producing country and a core region for PetroNor, both for existing production and for the development of additional resources.

PetroNor holds a 16.83 per cent participation interest in the licence group of PNGF Sud (Tchibouela II, Tchendo II and Tchibeli-Litanzi II) through Hemla E&P Congo SA.

PNGF Sud is operated by Perenco Congo SA ("Perenco"), a world-leading specialist in low-cost brownfield optimisation of mature production assets like PNGF Sud.

Production has continued to grow and operating cost per unit of production has been significantly reduced. This has all been achieved through improving maintenance routines and production processing capacities along with investments in field integrity, effected in a stepwise and prudent manner.

The licence partnership is now well underway in the infill drilling programme of 23 wells which commenced in 2021 to deliver increased production and reserves. The programme involves drilling and surface facilities investments of some USD 600 million over a six-year period, and the company is now benefitting from the significant capital investment in the infill drilling campaign over the past years. Since 2021, 12 of the 23 planned infill wells have been completed - most exceeding expectations. The programme was recently expanded by 5 wells to be drilled in Tchibouela East in 2025.



Tchendo 2 rig operated by our partner Perenco Congo SA

PNGF SUD

Licence overview

Since the entry of the new contractor group in early 2017, a programme of incremental improvements via well workovers, surface production process improvements, structural integrity and HSE improvements have resulted in a doubling of production at a relatively low CAPEX spend. The goal has been to optimise the existing well stock by re-activating producers and injectors, re-allocating production intervals, increasing well lift capacities as well as increasing and managing production capacities and intra-field power consumption between the ten wellhead platforms in PNGF Sud.

Licence activity

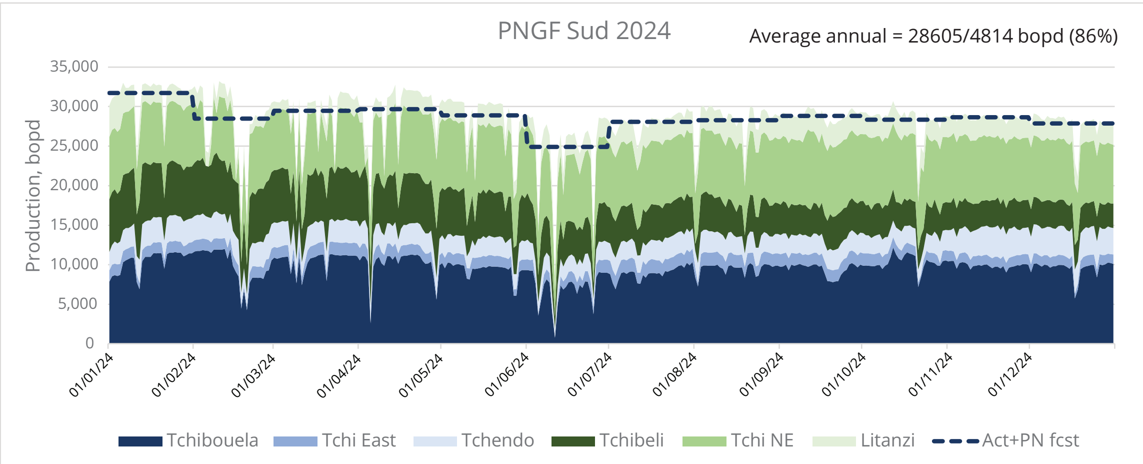
The average gross PNGF production was 28,605 bopd in 2024 with a continued low lifting cost of USD 11.2/barrel (bbl). Achieved production efficiency in the field was 86 per cent, which is lower than the "norm" for the licence group at approximately 92 per cent. Issues with production efficiency were largely caused by shut-downs from third party power providers but in addition, the high installation and commissioning activities of the Tchendo 2 platform and related infrastructure led to well ESP failures and a longer well workover lag. The Tchendo II platform is now installed and stable, and the licence enjoys a fully autonomous power supply with little interruptions. Workover activities picked up significantly in the second part of the year. These combined efforts yielded significantly reduced losses and thus an average production efficiency in the last quarter of 92 per cent. Significant investments continued on additional water handling capacity, additional export pumps,

upgraded control rooms, steel structure integrity improvements and intra-field gas pipelines.

The now 23-well infill drilling programme started in 2021 and delivered six new wells during 2022 in the Litanzi and Tchibeli NE fields. During 2023, five new Tchibeli wells were completed safely and below budget using drilling rig Axima #4 (four producers, one injector). The drilling programme continued in 2024 with the addition of a successful production well to the 2022 exploration discovery in the Vandji Formation. The 2025 budget was expanded with five wells in Tchibouela East before the planned infill programme of six wells in the Tchendo field, probably in 2026.

Although hampered by production interruptions in 2024, production averaged 28.6 thousand barrels per day (kbopd), compared with an average production of 30.7 kbopd in 2023. With stable production and increased well investments, the same production levels are expected in 2025 as achieved in 2024.

The jack-up rig, Petrofor Axima, which completed the five well infill drilling programme on Tchibeli will return to drill both the Tchibouela East and the Tchendo programme with an estimated drilling start of mid 2025. The Tchendo 2 platform was completed and installed in 2024. It contains the 14 slots for future infill drilling and additional power generation capacity for the PNGF and surrounding licences. The platform was installed and commissioned in the first half of 2024. Water handling capacity was expanded significantly in both Tchibouela and Tchendo last year.



PNGF BIS
Licence overview

Located North-West of PNGF Sud, PNGF Bis licence contains two discoveries, Louissima and Loussima SW. The two discoveries are proven by three wells drilled between 1985 and 1991.

The three discovery wells tested from 1,150 to 4,700 bopd of light, good quality oil. Perenco has recently made a detailed reinterpretation, 3D modelling and facilities study for the Loussima SW discovery, yielding some 100 million barrels (MMbbl) of in-place resources and a possible tie-back to PNGF Sud via pipeline.

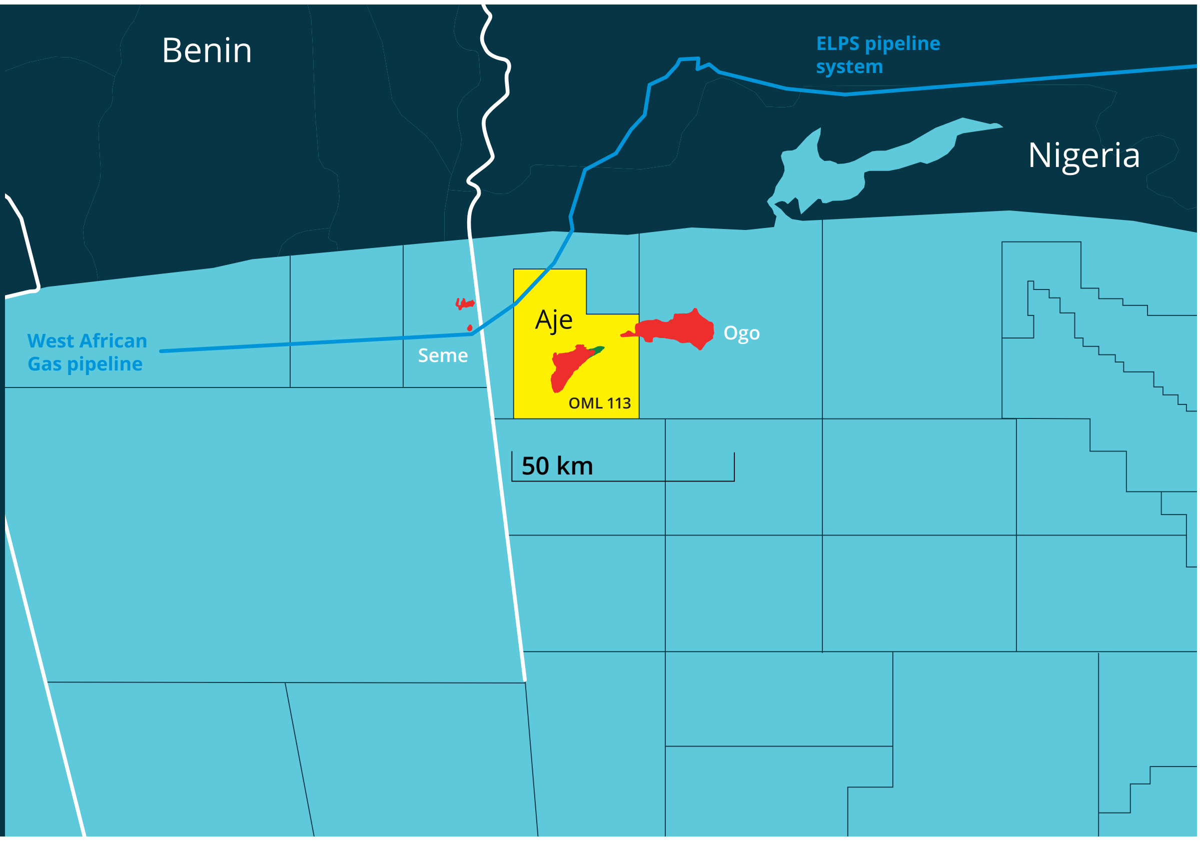
In December 2023, the Council of Ministers in the Republic of Congo approved a number of energy projects, including the award of the PNGF Bis licence to a contractor group led by Perenco as operator. PetroNor has a non-operating net interest of 22.7 per cent, represented through its Congolese subsidiary Hemla E&P Congo SA. The proposed operator Perenco are in discussions with the government regarding a production sharing agreement.

2P Economic interest:

15.1% – 20.2%

2C Resources per table (net) (MMboe):

27.1



Development:

Nigeria

Nigeria is one of the most petroleum-rich nations in the world. Nearly all of the country's primary reserves are concentrated in and around the Niger Delta. Nigeria is one of the few major oil producing nations still capable of increasing its oil output.

The Aje field is located close to the Lagos shores of Nigeria, a populated area in dire need of affordable electrical power. It is estimated that Nigeria produces electrical power from some 20-30 million diesel generators around the country and the Lagos area alone has a population exceeding 17 million people. The Aje field constitutes a significant gas discovery which has the potential to supply cleaner, reliable and more affordable gas to power to this region of the country. Additional liquid petroleum gas (LPG) products extracted from the gas could yield cooking gas for the local area replacing wood burning.

The Aje project targets production of oil, gas, condensate, and LPG, which will have the potential to replace approximately 500MW of energy currently generated by diesel power, it could also provide 10 per cent of the country's cooking gas. As such, it has an attractive ESG profile consistent with PetroNor's values and longer-term goals.

OML 113 (AJE FIELD)

PetroNor directly holds a 6.502 per cent participating interest in the Aje field asset, with a 16.255 per cent cost-bearing interest, representing an economic interest of between 12.1913 per cent and 16.255 per cent in OML 113, (the licence which contains the Aje oil and gas field).

PetroNor's existing position in Oil Mining Licence OML 113 was achieved through the acquisition of Panoro Energy ASA's Nigeria interests in a transaction which completed in 2022. PetroNor is working with the OML 113 operator, Yinka Folawiyo Petroleum Company Limited ("YFP") through a jointly owned company, Aje Production AS, which will hold a project economic and voting interest of 39 per cent according to the joint operating agreement (JOA).

Aje Production AS will lead the technical and management efforts in the next phase of the Aje field development, from which PetroNor, with its 52 per cent shareholding, will hold an indirect licence interest of 20.2 per cent.

In October 2023, PetroNor entered into a binding agreement with New Age (African Global Energy) Limited ("New Age") to acquire New Age's interests in OML 113. This acquisition not only strengthens the company's position in OML 113 but also opens exciting possibilities for future growth in the energy transition and strategic flexibility.

Subject to final completion, the agreement will not only increase PetroNor's economic stake but also reinforce the company's active involvement and influence in the licence partnership, enabling PetroNor to lead the plan for the redevelopment of the Aje field.

Following completion of these transactions, PetroNor and YFP related entities will have a project economic and JOA voting interest of 71 per cent.

The Aje field is estimated to contain recoverable resources of 480 billion cubic feet (BCF) of gas, 54 MMbbls oil, condensate and LPG.

Licence overview

The Aje field was discovered after drilling of the Aje-1 well in 1996. The OML 113 block covers 835 km² with water depths ranging from 100 metres to 1,500 metres. Five wells have been drilled; oil has been produced from Turonian and Cenomanian age reservoirs until production was suspended in November 2021.

Overlying the Turonian oil rim is a significant gas-condensate discovery which has not been developed.

Forward plan

The Aje field redevelopment focuses on extracting the discovered natural gas resources. Natural gas offers a sustainable energy alternative for Nigeria and its neighbouring countries. According to the UN sustainability goals, gas is an important transition fuel for Africa. By transitioning to natural gas, West Africa anticipates a considerable reduction in its energy deficit and CO_2 emissions. Estimates suggests a 30 per cent CO_2 emission reduction when natural gas replaces diesel fuel and heating oil.

In addition to emission reductions, the gas contains significant amounts of LPG to be used for cooking, replacing something as elementary as wood burning, which poses a significant health risk to millions of Nigerians.

The development plans will target the gas, condensate, and oil in a low-risk development plan. Wet gas will be brought to shore for further processing and extraction of LPG. The Nigerian government encourages stop-flaring programmes and the country is in dire need of electrical power.

Redevelopment

The redevelopment of the Aje field involves field development activities. These include the re-entry and completion of existing wells, the drilling of new wells, and the installation of Subsea Production Systems (SPS) & Subsea Umbilical, Riser and Flowline (SURF) packages. Development plans for the Aje gas condensate and additional oil are under discussion jointly with the licence partners. The strategy entails advancing with a Final Investment Decision (FID) for a Floating Production and Storage Unit (FPSO), drilling of a few additional oil and gas wells, and laying a 30 km pipeline to an LPG plant near the West African Gas Pipeline's (WAGP) export station, ensuring efficient transportation and processing of the natural gas. The produced gas will be distributed via the WAGP, while LPG will be transported to Lagos through Badagry Creek. Condensate and oil will be produced and offloaded offshore while offtake agreements will include gas sales and swap arrangement for gas and LPG products.

The previous FPSO was released from the field as it had reached the end of economic field life and does not have the proper ratings for gas development.

PetroNor hopes to progress the project toward concluding concept selection and final investment decision in 2026.

The Gambia

Net working interest:

90%

Area in km2:

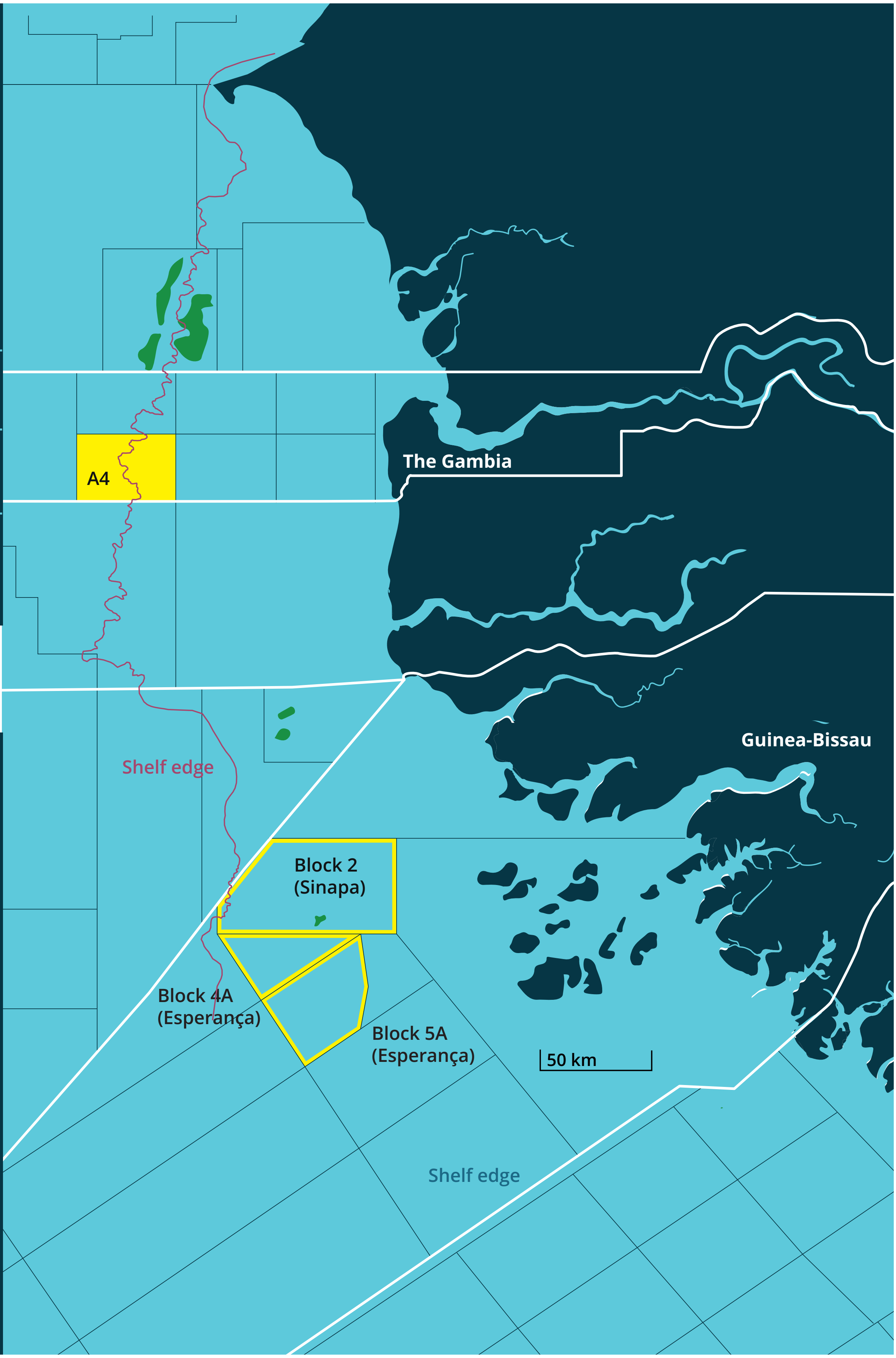
1,376

Operator:

PetroNor E&P Gambia Ltd

Guinea-Bissau

Contingent consideration interest retained



Exploration:

The Gambia and Guinea-Bissau

THE GAMBIA A4 LICENCE

Licence overview

In November 2022, the company was awarded a new 30-year lease for the A4 licence with terms based on the newly developed Petroleum, Exploration and Production Licence Agreement – "PEPLA" model. A proportion of prior sunk costs associated with Block A4 have been carried into the new agreement. Initially, the first three-year period of the licence was split into two 18-month periods, with the first period involving an extensive work programme leading to a drill or drop decision. In May 2024, PetroNor agreed with the Government of The Gambia to extend the first phase of the Initial Exploration Period from 18 months to 36 months with a reduced cost for rental, training and minimum work program agreed. At the end of the extended period by 13 November 2025, the company will have the option to continue into the second phase of the Initial Exploration Period with a commitment to drill an exploration well or exit the agreement.

PetroNor has licenced additional 3D post-stack depth migration (PSDM) seismic data (TGS Jaan 3D) to give an enhanced regional perspective and to better understand recent well results in this part of the MSGBC Basin. PetroNor is seeking a partner to join the company in drilling one exploration well in this highly attractive acreage 40 km to the South of the Sangomar field in Senegal.

The key prospects in A4 are the 'Lamia-South' and the 'Rosewood' prospects, both with commercial stand-alone volumes and attractive probability of success. PetroNor considers Lamia South to be a genuine analogue for the Sangomar Field (unlike recent wells in adjacent acreage).

PetroNor aims to participate in any future well at an equity level of 30-50 per cent and hopes to secure a farm-out agreement in 2025 before entering the second 'commitment' phase of the first exploration period.

GUINEA-BISSAU SINAPA-2 AND ESPERANÇA 4A/5A LICENCES

Licence overview

Following the farm-out of 100 per cent of the equity in both Sinapa and Esperança 4A/5A licences to Apus Energia Guiné-Bissau SA ("Apus Energy"), PetroNor retains an upside interest in the licences. In the event that an exploration well proves successful, and the subsequent development produces oil and/or gas, a further USD 60 million will be paid, split into USD 30 million paid on government approval of a field development plan and USD 30 million on achievement of continuous production. The Atum 1-X well was drilled last year and the license partnership is currently analysing the well results. The timing is uncertain in this scenario with appraisal drilling and development planning and construction of facilities necessary before first oil. Based on analogous projects this is likely to take at least four years from exploration well success if the project moves at a rapid pace.

Annual statement of reserves

PetroNor's classification of reserves and resources complies with the guidelines established by the Oslo Stock Exchange based on the definitions set by the Petroleum Resources Management System (PRMS) of the Society of Petroleum Engineers/ World Petroleum Council/ American Association of Petroleum Geologists/ Society of Petroleum Evaluation Engineers (SPE/PRMS) issued in 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 produced.

1P Proved reserves represent volumes that will be recovered with 90 per cent probability.

2P Proved + probable reserves represent volumes that will be recovered with 50 per cent probability.

3P Proved + probable + possible volumes will be recovered with 10 per cent 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 PetroNor'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 in-house assessments in February 2025 for PNGF Sud. This Annual Statement of Reserves (ASR) has been further audited by Three60 Energy Norway AS. The PNGF Bis was audited as part of the 2024 AGR CPR. For OML 113 (Aje), reserves and resources are based on a CPR from AGR/Tracs from March 2019.

PETRONOR ASSETS PORTFOLIO

The group holds exploration and production assets in Africa through subsidiaries and joint ventures, namely the offshore PNGF Sud production licences in the Republic of Congo and an economic interest between 15.1 per cent and 20.2 per cent in OML 113 in Nigeria. The expected imminent completion of the transaction with New Age will bring the PetroNor economic interest to between 39.2 per cent and 52.2 per cent.

In 2023, PetroNor E&P AB, a wholly owned subsidiary of PetroNor E&P ASA entered into a binding agreement to farm-out 100 per cent of its participating interest in the two exploration licences offshore Guinea-Bissau to Apus Energia Guiné-Bissau SA.

The exploration assets in The Gambia constitute prospective resources, therefore are not considered part of this ASR.

PNGF Sud:

Offshore Congo Brazzaville, operator Perenco, PetroNor 16.83 per cent

PNGF Sud is a development and exploration licence comprising three production licence agreements (Tchibouela II, Tchendo II and Tchibeli-Litanzi II), which contain six oil fields: Tchibouela Main, Tchibouela East, Tchendo, Tchibeli, Tchibeli North East and Litanzi.

PetroNor E&P's indirect subsidiary, Hemla E&P Congo SA, holds a 20 per cent (16.83 per cent net to PetroNor) non-operated interest in the PNGF Sud licences offshore Congo. The operator of the licences is Perenco which holds a 40 per cent interest. Effective since 1 January 2017, the ownership of the licences has an expiry date after 20 years plus a five-year extension period. Since the granting of the licences, Perenco and its non-operating partner group have been committed to strict HSE compliance. This has been achieved in a stepwise and prudent manner whilst growing production through improving maintenance routines and field integrity.

In November 2021, the now 23-well infill programme commenced on PNGF Sud with four infill wells on Litanzi. In November 2022, two wells were completed in Tchibeli North East. A further five wells were added in Tchibeli coming online in September 2023. Production in 2024 averaged 28,605 bopd gross (net to PetroNor 4,814 bopd). One successful well into the Vanji of Tchibeli NE was added to the infill programme in 2024. A further five wells were added to the drilling programme in Tchibouela East in 2025. The remaining six Tchendo wells in the infill drilling programme will be moved after these five wells.

Gross production during 2024 was 10.4 MMbbls of oil and 7.8 Bcf of gas.

In February 2025, PetroNor performed a full reserves and resource update (ASR) covering the Reserves (1P, 2P and 3P) and Resources (1C, 2C and 3C) in PNGF Sud. The above figures were evaluated as of 31 December 2024. The results from the ASR have been audited by Three60 Energy Norway AS.

As per the PRMS/SPE guidelines, only the portion of gas is contributing to power generation (on Tchibouela and Tchendo only) and is included in the overall reserves. The gas is being used centrally in the field complex as fuel for power generation which is subsequently transmitted to the individual field platforms via electrical power cables. For the purpose of this report, the numbers quoted below as MMbbls do not include the oil equivalent gas but are included in the appendix reserves and resource tables.

The Reserves and Resources from the 2025 audited ASR give the yielded basis for PetroNor's Reserves and Resources as per 31 December 2024. As the only product sold is oil, PetroNor will in the text below when referring to Reserves and Resources mainly refer to oil and term these with the unit MMbbls or where gas is a significant portion include condensate, LPG and gas as oil equivalents MMboe.

As of 31 December 2024, gross 1P Proved Reserves yield 67.2 MMbbls in all of the PNGF Sud fields in the Cenomanian, Turonian, Senonian and Albian reservoirs. Gross 2P Proved plus Probable Reserves at PNGF Sud amounted to 95.0 MMbbls in the same reservoirs. Gross 3P Proved plus Probable plus Possible Reserves at PNGF Sud amounted to 120.6 MMbbls.

Gross 1C Resources yield 14.6 MMbbls in all of the PNGF Sud fields in the Cenomanian, Turonian, Senonian and Albian reservoirs. Gross 2C Resources at PNGF Sud amounted to 34.4 MMbbls in the same reservoirs. Gross 3C Resources at PNGF Sud amounted to 86.4 MMbbls.

These evaluations yield 1P Proved Reserves net to PetroNor of 11.3 MMbbls, 2P Proved plus Probable Reserves net to PetroNor of 16.0 MMbbls and 3P Proved plus Probable plus Possible Reserves net to PetroNor of 20.3 MMbbls. For the 2P reserves, this constitutes a reserve replacement ratio of 93 per cent of the 2024 net production of 1.8 MMbbls.

Additional potentially recoverable resources net to PetroNor are approximately 2.5 MMbbls 1C, 5.8 MMbbls 2C and 14.5 MMbbls 3C.

These Reserves and Contingent Resources are PetroNor's net volumes before deductions for royalties and other taxes, reflecting the production and cost sharing agreements that govern the assets.

PNGF Bis:

Offshore Congo Brazzaville, operator Perenco, PetroNor 22.7 per cent

Located North-West of PNGF Sud, PNGF Bis licence contains two discoveries, Louissima and Loussima SW. The two discoveries are proven by three wells including Drill Stem Tests (DSTs) drilled from 1985-1991. The primary potential is identified in the pre-salt Vanji formation with promising DST rates, but the exploration and appraisal wells also include an oil column in the post-salt Senji formation (not tested).

The contractor group of PNGF Sud has now secured the rights to carry out petroleum activities on PNGF Bis and one possible scenario comprises a long-term test production period with a rented jack-up with a purchase option and an 11 km pipeline tie-back to one of the existing Tchibouela process platforms. This would allow cost recovery of the investments during the test production and allows upscaling the production levels with additional producers as resources are matured to reserves.

Based on an initial test development, net to PetroNor 1C Contingent Resources yield 0.8 MMbbls in the Loussima SW Vanji and Senji fm. Net 2C at PNGF Bis Loussima SW amounts to 2.1 MMbbls in the same reservoirs. Net 3C amounts to 3.0 MMbbls.

MANAGEMENT DISCUSSION AND ANALYSIS

PetroNor uses the services of Three60 Energy Norway AS 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.

PNGF Sud

During the years from 2017 to 2024, production and reserves have grown from the initial c. 15,000 bopd and 62 MMbo when Perenco and partners took over. An additional c. 68 MMbo have been produced in the period, thus representing a reserve replacement ratio of c. 200 per cent for the period. This has materialised through revitalising existing producers via replacements or upsizing of Electrical Submersible Pumps (ESPs), acidising, clean up or reperforating wells or converting wells from the Cenomanian to the Turonian (less depleted) formations. Significant surface debottlenecking is also taking place, projects ranging from improved power generation, gas-lift compressor upgrades, pump replacements and other surface process improvements. Production from Tchibeli has been routed to Tchendo by installing a new pipeline to avoid third party processing tariffs previously paid to the Nkossa FPSO. These brick-by-brick improvements together with infill drilling have yielded a production level during 2023 and 2024 of close to 30 kbopd.

An infill drilling programme was embarked on in 2021. Development drilling of the Tchibeli NE discovery was further sanctioned in 2021 with one additional Vanji well decided in 2023 and five additional wells for Tchiboela East decided in 2024. Consequently, the 2C resources in these fields have already been converted to 2P reserves. Development of 3D static and dynamic models has been and will continue to form the basis of further infill drilling programmes on PNGF Sud. As part of the commitment to infill drilling, significant 2C resources have been transferred to 2P reserves on Litanzi (in 2019) Tchendo, Tchibeli and further in Tchibeli NE and Tchibouela East. The further infill potential in Tchibouela and Tchendo has been maintained with a significant gross/net 2C potential of some 32.8/5.5 MMbo.

Net/gross produced volumes during 2024 constituted 1.8/10.4 MMbbls. Only minor adjustments were made to 2P reserves for 2023, with a decrease after production of net/gross -0.1/-0.7 MMbo. 2C resources are down -1.3/5.8 MMbo after converting the Tchibouela East resources to reserves. The PNGF partnership has invested in additional power generation facilities on Tchibouela and Tchendo. According to PRMS, gas reserves for this should be classified as reserves. Total gross gas reserves attributed to power generation has been estimated at 33.5 bcf, corresponding to an additional gross 6.0 MMboe in the reserve's balances.

Production rates are expected to average around 28,000 bopd for 2025.

PNGF Bis

Once investment decisions are made on the Loussima SW project these reserves may become reserves approved for development. It is expected that these discoveries will have priority following the infill drilling programmes in PNGF Sud.

Given a successful Loussima SW, a similar development potential is also likely for the Loussima Discovery.

Aje – OML 113

Reserves and resources for OML 113 are based on a CPR from AGR/Tracs from March 2019. The bulk of these are 2P reserves based on a Field Development Plan (FDP) submitted to and approved by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC – formerly DPR) in 2018 and the current development plan will need a resubmission and approval. PetroNor assumes the above referenced reserves now to be contingent resources. Production from 2019 to 2021, being relatively insignificant, has been subtracted from these figures.

Revenue and cost bearing interests vary through the development production period from 15.1 per cent and 20.2 per cent and net resources have been modelled and listed in the tables below. The 2C resources net to PetroNor are 10.9 MMbo of liquids and 97 bcf of gas, in total 27.1 MMboe (AGR Tracs use 6 mscf/boe).

ASSUMPTIONS

The commerciality and economic tests for the PNGF Sud, PNGF Bis and Aje reserves and resources volumes were based on an oil and condensate price of 70 USD/bbl, although the reserves and resources are not very sensitive to this parameter as OPEX levels are currently at around 10 USD/bbl in PNGF and estimated at approximately 7 USD/bbl in Aje on plateau production.

2P Reserves

(MMboe)	2024	2023	2024 PN Net
Balance – gross PNGF Sud	100.9	101.9	17.0

2P and 2C Reserves and resources status

(MMboe)	2024	2023	2024 PN Net
Balance 2P/2C gross, PNGF Sud	136.5	146.3	23.0
Balance 2P/2C gross, PNGF Sud+ PNGF Bis	145.9	155.7	25.1
Balance – 2P/2C gross, ALL PNGF +Aje	280.2	290.0	52.2

PetroNor's total 1P oil Reserves at end of 2024 amounted to 11.3 MMbbls. PetroNor's 2P oil Reserves amount to 16.0 MMbbls and PetroNor's 3P oil Reserves amount to 20.3 MMbbls. This reflects the February 2025 reserve report for the PNGF Sud field, conducted internally and audited by Three60 Energy Norway AS and production since the field start-up.

PetroNor's Contingent Resource base includes discoveries of varying degrees of maturity towards development decisions. PetroNor's assets contain a total 2C volume of approximately 35.2 MMboe

28 April 2025

JENS PACE
CEO PetroNor E&P

NET TO PETRONOR – RESERVES AND RESOURCES AT 31 DECEMBER 2024 (PN ASR DATED 05 FEBRUARY 2025)

Net PetroNor reserves (developed or under development):

	1P			2P			3P		
	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe
PNGF Sud 16.83%									
Tchibouela	5.12	1.39	5.36	6.82	2.18	7.21	8.53	3.68	9.19
Tchibouela East	1.23	-	1.23	1.76	-	1.76	2.29	-	2.29
Tchendo	2.08	2.49	2.52	3.49	3.45	4.10	4.53	3.35	5.13
Tchibeli	1.14	-	1.14	1.43	-	1.43	1.71	-	1.71
Tchibeli Northeast	0.83	-	0.83	1.18	-	1.18	1.54	-	1.54
Litanzi	0.91	-	0.92	1.30	-	1.30	1.69	-	1.68
Total	11.31	3.88	12.00	15.98	5.63	16.98	20.29	7.03	21.54
PNGF Bis 22.70%									
Loussima (Bis)	-	-	-	-	-	-	-	-	-
Total	11.31	3.88	12.00	15.98	5.63	16.98	20.29	7.03	21.54

Net PetroNor contingent resources (undeveloped):

	1C			2C			3C		
	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe
16.83% PNGF Sud									
Tchibouela	2.46	0.67	2.58	3.52	1.12	3.72	9.75	4.21	10.50
Tchibouela East	-	-	-	-	-	-	0.76	-	0.76
Tchendo	-	-	-	2.01	-	2.01	3.11	-	3.11
Tchibeli	-	-	-	-	-	-	0.29	-	0.29
Tchibeli Northeast	-	-	-	0.09	-	0.09	0.29	-	0.29
Litanzi	-	-	-	0.17	-	0.17	0.33	-	0.33
Total	2.46	0.67	2.58	5.79	1.12	5.99	14.53	4.21	15.28
PNGF Bis 22.70%									
Loussima (Bis)	0.75	-	0.75	2.13	-	2.13	3.00	-	3.00
Aje 20.15%									
OML 113[1]	17.19	146.82	41.66	28.21	251.47	70.12	46.56	358.22	106.26
Total	20.40	147.49	44.99	36.13	252.59	78.24	64.09	362.43	124.54

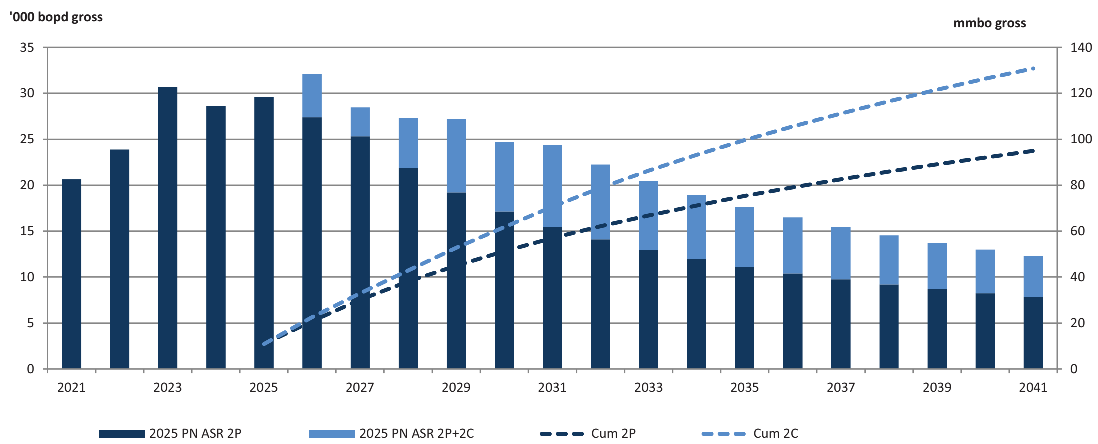
[1] *(Oil+Condensate+LPG) - oil equivalents for Aje are 6 mscf/boe according to the CPR.*

Net PetroNor reserves and resources (developed, under development or undeveloped):

	1P/1C			2P/2C			3P/3C		
	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe	Oil MMbo	Gas bcf	Boe MMboe
16.83% PNGF Sud									
Tchibouela	7.58	2.05	7.94	10.34	3.30	10.93	18.28	7.89	19.68
Tchibouela East	1.23	-	1.23	1.76	-	1.76	3.05	-	3.05
Tchendo	2.08	2.50	2.53	5.50	3.45	6.11	7.64	3.35	8.25
Tchibeli	1.14	-	1.14	1.43	-	1.43	2.00	-	2.00
Tchibeli Northeast	0.83	-	0.83	1.27	-	1.27	1.83	-	1.83
Litanzi	0.91	-	0.91	1.47	-	1.47	2.02	-	2.02
Total	13.77	4.55	14.58	21.77	6.75	22.97	34.82	11.24	36.83
PNGF Bis 22.70%									
Loussima (Bis)	0.75	-	0.75	2.13	-	2.13	3.00	-	3.00
Aje 20.15%									
OML 113[1]	17.19	146.82	41.66	28.21	251.47	70.13	46.56	358.22	106.26
Total	31.71	151.37	56.99	52.11	258.22	95.23	84.38	369.46	146.09

[1] *(Oil+condensate+LPG) - oil equivalents for Aje are 6 mscf/boe according to the CPR.*

Gross 2P+2C production rate and cumulative production from 2025 AGR CPR

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Corporate governance

Statement on corporate governance in PetroNor E&P

PetroNor E&P ASA ("PetroNor" or the "company", and with its subsidiaries; the "group") aims to instill confidence in the company and maximise long-term value through effective decision-making, well-defined roles among shareholders, management, and the board of directors (the "board"), and transparent communication.

As a company listed on the Oslo Stock Exchange, PetroNor is required to report on corporate governance under section 2-9 of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance (the "code"). The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Code, which was last revised on 14 October 2021, may be found at www.nues.no. The Code is based on the "comply or explain" principle. In the event that the company deviates from the requirements of the Code, the company must provide a justification for such deviation and explain what alternative solution it has selected.

The company also seeks to comply with the Oslo Stock Exchange Code of Practice for Investor Relation (IR) of 1 March 2021.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

The main objective for PetroNor's corporate governance principles is to develop a strong, sustainable and competitive company in the best interest of the shareholders, employees and society at large, in compliance with the laws and regulations of the relevant jurisdictions in which the company operates. The board and management of the company aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

The board will prioritise the development of effective working procedures to achieve, among other objectives, the goals outlined in these corporate governance guidelines and principles.

The Code comprises 15 principles. The corporate governance report is available on the company's website www.petronorep.com.

Deviations from the Code: None.

2. BUSINESS

PetroNor is a full cycle oil and gas exploration and production company listed on the Oslo Stock Exchange with ticker code "PNOR". PetroNor holds exploration and production assets in Africa.

The company's business is defined in Article 3 of the company's articles of association, which states:

"The company's business is to invest in companies and entities that are involved in the energy industry and the oil and gas industry worldwide, as well as investment activities and other related activities."

The company is responsibly managing its production portfolio to enable shareholder returns alongside initial funding for its redevelopment and targeted exploration projects.

PetroNor's vision is to:

- Become a leading full-cycle E&P company.
- Use experience and competence in enhancing value in projects in Africa to the benefit of the countries PetroNor operates in and the shareholders of the company.
- Create values for the shareholders in a sustainable manner where due regards are given to financial, social and environmental issues.

The board will evaluate the group's vision and strategy at least on an annual basis, also including input from shareholders not directly represented in the board.

The oil and gas exploration and production industry is characterised by high-risk, high-reward dynamics, exposing PetroNor to fluctuations in oil prices. The company is also subject to the inherent risks associated with petroleum production, as well as the drilling of production, appraisal, and exploration wells.

The company will seek opportunities across its core region but may opportunistically invest outside of its core area.

PetroNor's primary goal is to deliver substantial value to its shareholders. Furthermore, PetroNor is committed to being a responsible corporate citizen, promoting excellence in operations, and fostering innovation.

PetroNor has implemented corporate values, ethical guidelines, and guidelines for corporate social responsibility. These values and guidelines are described in PetroNor's Code of Conduct with further details in internal policies. In accordance with the Norwegian Accounting Act, the company annually reports on various aspects, including environmental and social issues, the work environment, equality and non-discrimination, adherence to human rights, and efforts to combat corruption and bribery.

Deviations from the Code: None.

3. EQUITY AND DIVIDENDS

The oil and gas E&P business is highly capital dependent, requiring PetroNor to be sufficiently capitalised. 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 board recognises a need to be proactive in order for PetroNor 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 PetroNor shares will be carried out through a regulated marketplace at market price, and the company will observe the principle of equal treatment of all shareholders in connection with such transactions. 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.

Dividend proposals are considered based on the company's capital structure and dividend capacity as well as the availability of alternative investments.

Deviations from the Code: None.

4. EQUAL TREATMENT OF SHAREHOLDERS

PetroNor has one class of shares representing one vote at the annual general meeting. The articles of association contain no restriction regarding the right to vote.

Any decision to waive 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 decision will be made only in the common interest of the shareholders of the company.

Transactions in PetroNor shares will be made through the stock exchange or by other means at market prices. If there is a limited liquidity in the PetroNor shares, the board will consider other ways to ensure equal treatment of all shareholders when making transactions in the PetroNor shares.

Deviations from the Code: None.

5. SHARES AND NEGOTIABILITY

Shares of PetroNor are listed on the Oslo Stock Exchange. There are no restrictions on ownership, trading or voting of shares in PetroNor's articles of association.

Deviations from the Code: None.

6. GENERAL MEETINGS

PetroNor'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. The company shall arrange the general meetings so that the shareholders can attend electronically, unless there is a reason to refuse.

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.petronorep.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.

PetroNor 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.

According to Article 7 of the company's articles of association, registrations for the company's general meetings must be received at least two trading days before the meeting is held.

The chairperson of the board, as well as the auditor and CEO of the company, shall be present at the general meetings, unless the circumstances preclude such participation. The chairperson of the nomination committee as well as other board members should attend the general meetings. 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. Dividend, remuneration to the board and the election of the auditor, are among the matters that will be decided at the annual general meeting. Following a general meeting, the company immediately announces that its general meeting has been held and the minutes are released on the company's ticker "PNOR" at NewsWeb as well as on the company's website.

Deviations from the Code: None.

7. NOMINATION COMMITTEE

The company shall have a nomination committee of up to three members, to be elected by the general meeting. The nomination committee shall present proposals to the general meeting regarding (i) election of the chair of the board, board members and any deputy members, and (ii) election of members of the nomination committee. The nomination committee shall also present proposals to the general meeting for remuneration of the board and the nomination committee, which is to be determined by the general meeting. The general meeting shall adopt instructions for the nomination committee.

Deviations from the Code: Due to the company's current shareholder composition, the majority of the nomination committee is currently not independent of the board and executive management. The company will continuously consider whether amendments to the composition of the nomination committee should be made.

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. The composition of the board ensures that it can operate independently of any special interests. Members of the board are normally elected for a period of two years. 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 chairperson and deputy chairperson (if any). The company's website and annual report provide 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.

The board is to be composed of at least two members who are independent of the company's major shareholders (being shareholders holding more than 10 per cent of the shares in the company), and more than half of the members are to be independent of the company's management and material business relations.

Deviations from the Code: None.

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 CEO is responsible for the company's daily operations and ensures that all necessary information is presented to the board.

The board decides the strategy of the company and makes the final decision 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 chairperson of the board ensures that the board's duties are undertaken in an efficient and correct manner.

The board has established separate rules of procedures for its work. Such rules of procedure also address how the board and management shall deal with agreements with related parties, and in particular whether independent valuations of such agreements should be obtained. In addition, the board will report on such agreements in its annual report.

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.

An annual schedule for the board meetings is prepared and discussed together with a yearly plan for the work of the board. The board will consider evaluating its performance and expertise annually.

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 chairperson is or has been personally involved, the matter will be chaired by an independent member of the board to ensure a more independent consideration.

The board has established an audit & risk committee and a remuneration committee as subcommittees of the board.

The audit & risk committee shall consist of at least three members appointed by and among the board. All members of the audit & risk committee must be non-executive directors, a majority of the members should be independent of the management and the company, and there must be adequate accounting and finance competence among the members of the committee. The audit & risk committee's role is to supervise the group's accounting and financial performance, as well as ensuring that adequate internal control and reporting requirements exist. The role is further detailed in a separate audit & risk committee charter.

The remuneration committee shall consist of up to three members appointed by and among the board. All members shall be independent of the executive management. The remuneration committee's role is to assist and advise the board on matters relating to the remuneration of the board and management, as well as salary, bonus and benefit policies for the employees in general. The role is further detailed in a separate remuneration committee charter.

Deviations from the Code: None.

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 PetroNor'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 Note 23 to the consolidated financial statements in this 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.

Deviations from the Code: None.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration to the board will be decided by the annual general meeting each year.

PetroNor 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 remuneration to the board is not linked to the company's performance and share options shall not be granted to board members. Remuneration in addition to normal director's fee will be specifically identified in the annual report. Members of the board normally do not take on specific assignments for the company in addition to their appointment as a member of the board. Any exemptions shall be clarified with the full board.

Deviations from the Code: None.

12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL

The board has established guidelines for the remuneration of the executive personnel. The guidelines will be presented to the annual general meeting each year and shall 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. The guidelines shall be clear and transparent and contribute to the company's strategy, long term interests and financial viability.

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.

Remuneration based on performance will normally be capped upwards.

Deviations from the Code: None.

13. INFORMATION AND COMMUNICATIONS

The company has established guidelines for the company's reporting of financial and other information. The chairperson and CEO are authorised by the board to speak to or be in contact with the press.

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.

All information to shareholders is published simultaneously on NewsWeb with the Oslo Børs and the company's website.

PetroNor normally makes four quarterly presentations per year to shareholders, potential investors and analysts in connection with quarterly earnings reports or trading updates. 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.petronorep.com for a limited number of days.

The company also makes investor presentations at conferences in Norway and internationally. The information packages presented at such meetings are published simultaneously on the company's website.

Deviations from the Code: None.

14. TAKEOVERS

PetroNor has established the following guiding principles for how the board will act in the event of a takeover bid. In a bid situation, the board shall help to ensure that shareholders are treated equally, and that the company's business activities are not disrupted unnecessarily. The board shall ensure that shareholders are given sufficient information and time to form a view of relevant offers.

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 PetroNor.

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.

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 typically aim to disclose agreements made with the bidder, which are material for the market's assessment of the bid, no later than the publication of the announcement confirming the intention to make the bid.

In the event of a takeover bid for the company's shares, the board will not exercise mandates or pass any resolutions with the intention of obstructing the takeover 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.

Deviations from the Code: None.

15. AUDITOR

The auditor will be appointed by the general meeting.

The board has appointed an audit & risk committee as a sub-committee of the board, which will meet with the auditor regularly. The auditor shall on an annual basis submit the main features of the plan for the audit of the company and an additional report to the audit & risk committee in which it declares its independence and explains the results of the statutory audit carried out by providing a range of information about the audit.

The auditor 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. The board shall on an annual basis review the internal control procedures jointly with the auditor, including weaknesses identified by the auditor and assess proposals for improvement.

PetroNor 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.

Deviations from the Code: None.

Board of directors

JOSEPH ISKANDER
Non-executive chair

Qualifications:
Iskander holds a degree in Accounting and Finance with high distinction from Helwan University, Egypt.

Experience:
Iskander brings over 25 years of experience in the financial services industry, covering asset management, private equity, portfolio management, financial restructuring, research, banking, and audit. He began his career at Deloitte & Touche (Egypt) as an auditor. Iskander served as non-executive director on the boards of EFG Hermes in Egypt, Oasis Capital Bank in Bahrain, Sun Hung Kai & Co in Hong Kong, Qalaa Holdings in Egypt, Emirates Retakaful in UAE, Marfin Laiki Bank in Cyprus and Marfin Investment Group in Greece. Iskander led the research team at Egypt's Prime Investments and previously served as an investment advisor at Commercial International Bank (CIB). In 2004, he transitioned to Dubai Group, where he assumed the role of investment manager. During his tenure, Iskander actively participated in numerous M&A transactions, advisory services, asset management, and private equity deals, collectively exceeding a value of USD 8 billion. Until 2009, he held the position of managing director of asset management at Dubai Group and was the former head of research at Dubai Capital Group. Joining Emirates International Investment Company in July 2017, Iskander is the Chief Executive Officer of EIIC. EIIC operates as a subsidiary of National Holding in Abu Dhabi.

Iskander is not independent of the main shareholder.

Board meetings attendance	17
Shares controlled at year-end 2024	Nil
Appointed since	8 October 2021

JARLE NORMAN-HANSEN
Non-executive director

Qualifications:
Norman-Hansen holds a bachelor's degree in Economics from BI Norwegian Business School and an ICFA from The Norwegian School of Economics.

Experience:
Norman-Hansen has more than 30 years of experience from the Nordic property and capital markets overseeing acquisitions and asset management of multi-billion investments. Additionally, he has served as an advisor to many of Scandinavia's largest real estate capital markets transactions.

Norman-Hansen is independent of the executive management, material business contacts and main shareholders (main shareholders being shareholders holding more than 10 per cent of the shares in the company).

Board meetings attendance	17
Shares controlled at year-end 2024	8,973,389
Appointed since	26 January 2023

ANDRI GEORGHIOU
Non-executive director

Qualifications:
Georghiou is a Fellow Member of the Institute of Chartered Accountants in England and Wales and a member of Institute of Certified Public Accountants of Cyprus and holds the Corporate Finance Qualification of the Institute and of the Securities and Investment Institute.

Experience:
Georghiou is a banking and finance professional with in-depth experience in banking and financial services both from the directorial and functional sides. Georghiou was the Chief Executive Officer of the Cyprus Development Bank Group and served as executive and nonexecutive member on the boards of the Cyprus Development Bank Plc (CDB) and its subsidiaries, including Chairperson of its foreign banking subsidiary and executive member on the board of its financial services subsidiary. During her career with the CDB Group and before being appointed CEO, she held senior managerial posts and had a leading role in the directorial and functional management of the CDB Group and the transformation of the CDB from a development finance organisation into a fully-fledged bank and the growth of its activities and assets.

Georghiou also served on the boards of companies outside the CDB Group.

Board meetings attendance	N/A
Shares controlled at year-end 2024	Nil
Appointed since	20 March 2025

Executive management

JENS PACE
Chief executive officer

Qualifications:
Pace holds a bachelor's degree in Geology and Oceanography from the University of Wales and an MSc in Geophysics from Imperial College, London, UK.

Experience:
Pace has over 40 years of industry experience, initially garnered with major companies such as BP and Amoco. Since 2012, he has been associated with African Petroleum Corporation and PetroNor. With a background in geoscience, Pace has held senior leadership positions in E&P for the past 20 years, operating across a variety of international jurisdictions.

Serving as the CEO of African Petroleum, he continued as director after the merger with PetroNor. On 9 February 2022 he stepped down from the board and was appointed as interim CEO.

Shares controlled at year-end 2024	146,553

CLAUS FRIMANN-DAHL
Chief technical officer

Qualifications:
Frimann-Dahl holds a bachelor's degree in Petroleum Engineering from Texas A&M University and an MSc from the University of Trondheim (NTH).

Experience:
Frimann-Dahl has more than 35 years of experience in the oil and gas industry, where he has held both managerial and technical positions. His experience includes operational roles with Phillips Petroleum, Norsk Hydro, and Hess spanning the North Sea in Norway and Denmark, Russia, Egypt and the US. Additionally, he played a pivotal role as the co-founder of Ener Petroleum, a company that was subsequently acquired by Dana Petroleum and KNOC.

Shares controlled at year-end 2024	60,456

CHRISTOPHER BUTLER
Group financial controller

Qualifications:
Butler is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a bachelor's degree in Physics from Warwick University.

Experience:
Butler brings more than 20 years of financial and corporate experience, acquired through roles in public practice, as well as in the oil & gas and mining sectors across Africa, Asia, and Europe. His diverse responsibilities have encompassed financial reporting, contract negotiations, M&A, due diligence, treasury management and system implementations.

Shares controlled at year-end 2024	23,430

Board of directors' report

PetroNor E&P has reached several operational and strategic milestones during 2024. The total 2024 net entitlement volumes sold was 1.8 million bbls at an average realised price of USD 77.94/bbl. This represents a historically high volume and revenue for PetroNor as a consequence of obtaining approved lifter status from the Djeno oil terminal, this removes reliance on third parties to lift oil.

Board has adopted a strategy focused on the current portfolio in Congo, Nigeria and The Gambia. Stable production and cashflow from Congo assets has supported the delivery of a NOK 2 per share return of capital to the company shareholders post period.

The board of directors' report is presented for PetroNor E&P ASA ("PetroNor" or "the company") and its subsidiaries for the year ended 31 December 2024.

DIRECTORS

The names of directors of the ultimate parent entity of the group in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

PetroNor E&P ASA	Role	First appointed	Resigned
J Iskander	Non-exec chair*	8 October 2021	-
J Norman-Hansen	Non-exec director	26 January 2023	-
A Georghiou	Non-exec director	20 March 2025	-
A Fawzi	Non-exec director	26 January 2023	20 March 2025
I Smines Tybring-Gjedde	Non-exec director	1 October 2021	1 November 2024
G Kielland	Non-exec director	1 October 2021	1 November 2024
E Alhomouz	Non-exec chair	1 October 2021	29 May 2024

** Joseph Iskander was appointed non-exec chair on 29 May 2024, after previously serving as a non-exec director.*

OVERVIEW OF THE BUSINESS

The board of directors' report for the PetroNor group ("the group") comprises PetroNor E&P ASA ("the parent company") and all subsidiaries and associated companies.

PetroNor E&P ASA is a Norwegian public limited liability company with its head office in Oslo, Norway.

The company is an independent oil and gas exploration and production company with a portfolio of assets in countries offshore West Africa (Republic of Congo, Nigeria and The Gambia).

As at 31 of December 2024, the company held, through its Congo subsidiary, 2P oil reserves of 16.0 MMbbls and an average net production in 2024 of 4,814 bopd (2023: 5,162 bopd). In addition, PetroNor holds an exploration licence in The Gambia with net unrisked prospective resources of approximately 1.1 billion barrels of oil (management estimate for two main prospects each with multiple stacked targets).

The total 2024 net entitlement volumes sold was 1,795,459 bbls for USD 140 million in cash, equivalent to an average price of USD 77.94 per barrel. This represents a historically high volume and revenue for PetroNor, achieved through an overlifting of its entitlement interest in stock at the Djeno oil terminal in Congo at the year end.

PetroNor's project in Nigeria is focused on the redevelopment of gas from the OML 113 licence that holds net 2C contingent resources of 27.1 MMboe through the jointly controlled company Aje Production AS. The company expects to deepen this position with the completion of the corporate acquisition of a non-operated partner on the licence adding net 2C contingent resources of 43.0 MMboe.

The asset portfolio is supported by staff in Norway, multiple locations in Africa and in the UK. The management team at PetroNor has in-depth industry experience from the oil and gas upstream industry. Together they have built a broad network of industry contacts, and developed strong relationships with governments, institutions and

trusted partners fostered over many years of valued collaboration.

Business Strategy

Focused on Africa, the company will continue to responsibly manage its production portfolio to enable shareholder returns from free cash flow alongside maximising the value of its redevelopment and targeted exploration assets, whilst managing the risk of potential corporate legal liabilities, being a good corporate citizen prioritising governance and compliance.

The company's flat structure and focus on execution and delivery enable it to move rapidly to take advantage of opportunities.

With many years of experience working in the international oil and gas business, the management and technical staff are able to apply and utilise cutting edge industry innovations and technologies to PetroNor's projects globally in order to maximise their potential value.

IMPORTANT EVENTS

- Record oil sales of 1.8 MMbbls at average realised price of USD 77.94/bbl, compared with net entitlement volumes of 1.5 MMbbls at average realised price of USD 78.30/bbl in 2023
- Average net allocated production of 4,814 bopd in 2024
- PNGF Sud's complex of power and gas supply is now independent of third parties following an infrastructure improvement programme
- Progressing New Age deal awaiting government approval which will give PetroNor a 52 per cent economic interest in the Aje project
- Implemented the announced return to shareholders and delivered a USD 25.6 million return of capital equivalent to NOK 2 per share post year end
- In May 2024, the company was named as a suspect by Økokrim in their ongoing investigations into individuals
- Joseph Iskander's nomination as Chair of the Board was approved at the 2024 AGM

PRINCIPAL ACTIVITY

The company's principal activity during the year was oil and gas exploration and production.

REVIEW OF OPERATIONS

Asset overview

Republic of Congo – PNGF Sud

The company has three production licence agreements (Tchbouela II, Tchendo II, and Tchibeli-Litanzi II), which cover six oil fields located in 80-100 m water depths approximately 25 km off the coast of Pointe-Noire. The complex oil field was discovered in 1979, commenced production in 1987, and is called PNGF Sud.

Perenco, with its non-operating partners has been committed to safely growing production in an incremental and prudent manner. This led to an increase in gross production from c 15,000 bopd gross in January 2017 to an average gross production in 2024 of 28,605 bopd (2023: 30,672 bopd).

The drilling campaign targeting PNGF Sud that commenced in 2021 saw one new well on Tchibeli NE completed in April 2024 and is producing at expected volumes. The infill drilling programme will focus on Tchibouela East field during 2025. Five new wells have been added to the infill drilling campaign thus increasing the programme to a total of 23 wells. These will be drilled ahead of the planned and previously announced Tchendo wells and are expected to give a significant production contribution to the PNGF Sud production in H2 2025.

The Tchendo 2 platform arrived in Congo in December 2023 and is now in operation together with the Litanzi-Tchendo gas pipeline which has allowed autonomous power generation capacity in the field. The platform includes a total of 14 new wells slots which will enable further development of the Tchendo field with five new wells planned in 2025.

The Tchendo 2 platform further includes three gas turbines with an installed capacity of 27MW that will allow energy independence and reduce gas emissions for the PNGF Sud licence with additional capacity for power export and excess gas utilisation for surrounding licences.

The PNGF Sud fields are developed with ten wellhead platforms and currently produce from 70 active production wells, with oil exported via the onshore Djeno terminal. With its long production history, substantial well count and extensive infrastructure, PNGF Sud offers well diversified and low risk production and reserves with low break-even cost.

The use of refurbished and recommissioned steel structures and other equipment is part of a wider sustainability programme focusing on increasing the production capacity and improving the integrity of the offshore installations.

In February 2025, PetroNor utilised services from Three60 for third party verification of its reserves. The reserves were calculated as at 31 December 2024:

Participation Interest	16.83%
1P reserves (MMbbls)	11.3
2P reserves (MMbbls)	16.0

PetroNor's contingent resource base includes discoveries of varying degrees of maturity towards development decisions. At the end of the year, PNGF Sud contained a net 2C volume of approximately 5.8 MMbbls.

Gross production during 2024 was 10.4 MMbbls, corresponding to 1.8 MMbbls net to the company.

The current indirect participation interest is 16.83 per cent given an 84.15 per cent ownership in the subsidiary Hemla E&P Congo which holds a 20 per cent interest in the PNGF Sud licence.

Republic of Congo – PNGF Bis

PNGF Bis is located next to PNGF Sud and contains two discoveries from 1985-1991 in the structures of Loussima SW and Loussima. The company and its PNGF Sud partners have a right to negotiate the licence agreement.

The three discovery wells tested from 1,150 to 4,700 bopd of light, good quality oil. Perenco has made a detailed reinterpretation, 3D modelling and facilities study for the Loussima SW discovery, yielding some 100 MMbbls of in-place resources and a possible tie-back to Tchibouela.

In December 2023, the Council of Ministers in the Republic of Congo approved a number of energy projects, including the award of the PNGF Bis licence to a contractor group led by Perenco as operator. PetroNor has a non-operating net interest of 22.7 per cent, represented through its Congolese subsidiary Hemla E&P Congo SA. The proposed operator Perenco are in discussions with the government regarding a production sharing agreement. PNGF Bis contains Net 2C resources of 2.1 MMboe according to PetroNor's 2024 Reserves Report which has been independently audited by an external party.

Nigeria – OML 113 / The Aje Field

The Aje oil and gas field was discovered in 1996 with the Aje-1 well. After several appraisal wells, the field started production in May 2016 via the Front Puffin FPSO. Before suspending production in 2021, Aje was producing from two wells, the Aje-4 with oil production and Aje-5ST2 with oil and gas production. In addition to the oil, there is a significant gas-condensate column ready for further development. The oil production stopped in November 2021 due to the terminated contract with the FPSO. The Aje field is estimated to contain recoverable resources of 480 BCF of gas, 54 MMbbls oil, condensate and LPG.

In October 2023, PetroNor announced an agreement with New Age (African Global Energy) Limited ("New Age") to acquire New Age's interests in OML 113, holding a project economic and voting interest in the OML 113 JOA of approximately 32 per cent. Subject to completion, the agreement will not only increase PetroNor's economic stake but also reinforce the company's active involvement and influence in the license partnership enabling PetroNor to plan for the redevelopment of the Aje field. Completion of the transaction is subject to customary conditions, including regulatory approvals in Nigeria.

PetroNor's existing position in OML 113 was achieved through the acquisition of Panoro Energy ASA's Nigeria interests in a transaction which completed in 2022. PetroNor is working with the OML 113 operator, Yinka Folawiyo Petroleum Company Limited ("YFP"), to create a jointly owned company, Aje Production AS, which will hold a project economic and JOA voting interest of 39 per cent.

Upon completion of both of these transactions, PetroNor and YFP related entities will have a project economic and JOA voting interest of 71 per cent. The acquisition of New Age's Aje interests will increase PetroNor's net 2C contingent resources in Aje from 27.1 MMboe to 70.1 MMboe.

PetroNor continues work to update the field development plan ("FDP") to expedite gas development and engaged with potential off- takers and partners. Development plans for the Aje gas condensate and additional oil is progressing.

The plan is to proceed toward an FID involving changeout of the FPSO, drilling further gas and oil development wells, building a 30 km pipeline to shore to a receiving LPG plant close to the export compressor station of the West African Gas Pipeline (WAGP).

Condensate and oil will be produced and offloaded offshore while offtake agreements will include gas sales and swap arrangement for gas and LPG products.

Exploration the Mauritania-Senegal-Gambia-Bissau-Conakry Basin (MSGBC Basin)

The Gambia – A4

The A4 licence is located offshore within the Mauritania-Senegal-Gambia-Bissau-Conakry Basin. The block contains multiple low risk commercial size prospects. Hydrocarbons are proven throughout the basin, the most local and notable is the 460 MMbbls Sangomar field, 30 km to the North in Senegal achieving first oil in 2024, operated by Woodside Petroleum.

PetroNor and Gambia National Petroleum Corporation ("GNPC") have a Joint Operating Agreement ("JOA") for the A4 Licence. GNPC, as Government licensee, has a 10 per cent participating interest in the licence.

Initially, the first exploration period was three years, split into two 18-month periods with the first period aimed at additional prospect technical maturation leading to a drill or drop decision. In 2024, PetroNor signed an agreement to extend the first period by a further 18 months. A well commitment is made upon entry to the second 18-month period in November 2025.

PetroNor E&P Gambia Ltd will be able to carry approved prior sunk costs associated with A4 into the new agreement.

The PEPLA is a royalty plus tax system valid for 30 years with an option of a 10-year extension. Post discovery, the licence moves into an exploration/appraisal phase where the commercial potential of the discovery is ascertained and a development decision taken, followed by a development and subsequent production phase.

PetroNor continues to seek partners to drill one exploration well in this highly attractive acreage and aims to participate in any future well at an equity level of 30-50 per cent.

The key ongoing technical work for Block A4 is a Joint Impedance and Facies Inversion (JiFi) project carried out by Ikon Geoscience. The aim of the project is to understand the presence and distribution of sandstone reservoir and hydrocarbons in the main shelf-edge play prospect Lamia South. Whilst further work is being carried out, initial results are promising and indicate the presence of oil sands within the trap area.

Contingent Asset – Guinea-Bissau – Sinapa 2 and Esperança 4A & 5A

In December 2023, PetroNor farmed-out 100 per cent of its participating interest in its two exploration licences offshore Guinea-Bissau to Apus Energia Guiné-Bissau SA. An exploration well to test the Atum-1 prospect was drilled during the fourth quarter of 2024, and the results are being evaluated.

PetroNor stands to receive two contingent earn-out payments of USD 30 million each, contingent upon government approval of a field development plan and sustained production.

REVIEW OF OPERATIONS

Corporate

Board appointments

At the AGM in May 2024, existing board member Joseph Iskander was appointed chair of the board, replacing Eyas Alhomouz. In October 2024, board members Ingvil Smines Tybring-Gjedde and Gro Kielland both resigned effective from 1 November 2024.

Currently the board has three members. On 28 March 2025, Andri Georghiou was appointed to the board, Azza Fawzi did not stand for re-election.

Økokrim charges

In late 2021, the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim) initiated an investigation into allegations of corruption and brought criminal charges against individuals previously associated with the company. The US Department of Justice (DoJ) also began its own investigation into the allegations based on information received from Økokrim.

In May 2024, the company was notified by Økokrim that the charges against the individuals have been revised to include misleading investors (market manipulation) through disclosures made to the market during the reverse take-over of African Petroleum Corporation Limited in August 2019 and subsequent disclosures. Consequently, the company was notified that it had been given formal status as suspect in relation to the market manipulation charges. At the same time, the company's subsidiary Hemla Africa Holding was notified that it had been given formal status as suspects in relation to the corruption charges.

In June 2024, due to the change in status, the company's legal counsel received from Økokrim access to formal information on the investigations (the Økokrim case file), and a legal review of this material continues.

In April 2025, the company was notified by the DoJ that its inquiry relating to the company has been closed.

PetroNor continues to co-operate with Økokrim to assist in its investigation.

The Økokrim investigation is now into its fourth year, and the company has incurred significant costs with the various remediation steps to mitigate potential corporate liability risks. During 2024, USD 3.4 million was spent on external legal advice on this matter (2023: USD 1.5 million). This has included, fully cooperating with the investigation authorities, obtaining independent legal advice and implementing a compliance action plan.

As at the date of this report, no company in the group has been formally charged. However, the uncertainty surrounding the outcome could potentially impact the group's ability to conduct transactions with both new and existing partners.

Shareholder distribution

An updated dividend policy was approved at the last AGM, but this timing coincided with the formal change in status in the investigations. Therefore, implementation of the policy was delayed to facilitate additional dialogue with the investigating authorities. An interim balance sheet as of 9 December 2024 for the standalone company was approved at an EGM held on 23 January 2025. This enabled the delivery of a return of capital to shareholders equivalent to NOK 2 per share that was paid out on 31 January 2025. USD 25.6 million of cash was used to payout this distribution post year end.

FINANCIAL REVIEW

The board of directors ("the board") confirms that the annual financial statements have been prepared pursuant to the going concern assumption, and that this assumption was realistic at the balance sheet date. The going concern assumption is based upon the financial position of the group and the development plans currently in place. The group recognises that in order to fund on-going operations and pursue organic growth opportunities it may require additional funding. This funding may be sourced through joint venture equity, share issues, or through debt finance.

The going concern basis assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The underlying business of the group created a net profit after tax of USD 42.2 million for the year ended 31 December 2024. As at 31 December 2024, the group had a cash balance of USD 79.7 million (2023: USD 46.2 million).

Stable production and cash generation from the Congo operations, together with its strong balance sheet position has enabled the directors of PetroNor ("the directors") to form the opinion that the company will be in a position to continue to meet its liabilities and obligations for a period of at least twelve months from the date of signing this report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the group not continue as a going concern.

The following financial review is based on the financial statements of PetroNor E&P ASA and its subsidiaries. The statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU as well as Norwegian accounting legislation.

In the view of the board, the statement of comprehensive income, statement of changes in equity, statement of financial position and cashflow provide satisfactory information about the operations, financial results and position of the group and the parent company at 31 December 2024.

The consolidated financial statements are presented in US dollars.

Consolidated statement of comprehensive income

Key consolidated income statement figures

For the year ended 31 December

Amounts in USD million	2024	2023
Revenue from sales of petroleum products	139.9	120.9
Assignment of tax oil	40.0	39.9
Assignment of royalties	24.4	26.5
Marketing fees	0.2	-
Revenue	204.5	187.3
EBITDA	102.4	121.8
Net profit/(loss)	42.2	79.1
Quantity of oil lifted (barrels)	1,795,459	1,543,910
Average selling price (USD per barrel)	77.94	78.30
Quantity of net oil produced after royalty, cost oil and tax oil (barrels)	1,202,459	1,396,118

The directors are pleased to report that favourable market conditions and the on-going corporate focus on cost control have resulted in EBITDA of USD 102.4 million for the year.

The group generated a net profit for the year of USD 42.2 million (2023: USD 79.1 million). Revenue increased by 9 per cent year-on-year, however the overlifting position of USD 35.5 million has impacted cost of sales. Further, during the prior year a one-off transaction realised USD 18.0 million within the profit from discontinued operations.

Capitalised exploration expenses for The Gambia licence for the year were USD 0.95 million. Under PetroNor's accounting policy, seismic data costs and time writing are expensed and not capitalised to intangible assets.

The administrative expenses in 2024 were USD 14.0 million (2023: USD 11.4 million). During the second quarter, the board adopted a strategy focused on the current portfolio in Congo, Nigeria and The Gambia with a tactical suspension of new business development efforts. The restructuring has incurred USD 0.7 million in costs for the period to year end. Legal and professional costs for the year include USD 3.4 million (2023: USD 1.5 million) in fees from third parties associated with the work relating to the Økokrim and DoJ matter.

Financial position, financing and equity

The group continues to build the strength of the balance sheet with condensed statement of financial position below.

Condensed consolidated balance sheet

At 31 December

Amounts in USD million	2024	2023
Current assets	162.4	95.2
Non-current assets	138.8	144.3
Total assets	301.2	239.5
Current liabilities	45.1	25.5
Non-current liabilities	35.2	27.2
Total liabilities	80.3	52.7
Net assets	220.9	186.8
Capital and reserves attributable to owners of the parent	196.2	166.4
Non-controlling interests	24.7	20.4
Total equity	220.9	186.8

At 31 December 2024, PetroNor had USD 79.7 million in cash and trade receivables of USD 64.0 million attributable to the oil lifting of 881,192 bbls sold at a price of USD 72.817 during the fourth quarter.

During 2023, PetroNor transferred its interests in OML 113 to the joint venture via the disposal of its shares in the entities holding the interest in the licence. PetroNor now holds 52 per cent in Aje Production AS which holds a 15.5 per cent participating interest and an economic interest in the order of 38.755 per cent in OML 113. Consideration shares for PetroNor's contribution have not been issued yet and as a result, a USD 11.0 million "other receivable" remains on the balance sheet at 31 December 2024 which will subsequently be reclassified as an investment in associates and will be recognised at fair value upon completion.

The PNGF Sud drilling programme continued into 2024 with one well, increasing property plant and equipment (PP&E) assets by USD 13.6 million in the period, net PP&E was reduced by USD 6.9 million due to depletion costs.

Material and supplies inventories were down overall for the year by USD 1.5 million, materials relating to the Guinea-Bissau venture were sold in the first quarter of the year reducing material inventories by USD 3.5 million. We retain a high level of materials inventory for use in the upcoming PNGF drilling campaign with PNGF material stock in Congo increasing by USD 2.0 million. There was no oil stock at the end of 2024 as a lifting had occurred just before year end on 29 December 2024 which resulted in an overlift position, consequently crude oil inventories have decreased by USD 3.1 million in 2024.

As at the year end, the group had advanced USD 30.5 million (2023: USD 30.1 million) in cash to the operator towards the asset retirement obligation of PNGF Sud, this is considered a non-current "Other receivable".

The level of trade receivables increased by USD 36.7 million at year end, this was due to the PNGF oil sales lifting of USD 64.0 million on 29 December 2024.

A new trading agreement entered during the second quarter of 2024 allowed PetroNor to lift and sell more oil than the entitlement interest it had in stock at the Djeno terminal at the time of lifting. This is known as an overlift position and will be replenished from continuing production during the first half of 2025. The overlift position created a payable of USD 35.8 million. Taxes arising on the Guinea-Bissau transaction have now been settled reducing tax amounts owing. Trade payables have decreased to USD 5.5 million (2023: USD 12.2 million) as the year end did not coincide with additional activity from on-going drilling operations unlike the situation at the end of 2023.

Provisions, net of the unwinding of discount, were USD 35.2 million versus USD 27.1 million in 2023 following a reassessment.

The strong production performance from the PNGF Sud assets have strengthened PetroNor's balance sheet with an increase of USD 34.1 million in net assets as at 31 December 2024.

Funding

The Group is debt-free at the period end having fully repaid all external debt facilities during 2024.

Cash Flow

Cash of USD 60.8 million was generated from operations, reflecting the strong revenue performance in the group for the year. The on-going investment in PNGF Sud assets consumed USD 13.1 million in cash. Financing activities included the settlement of Guinea-Bissau residual tax liabilities, USD 7.9 million paid in dividends to minority interests and USD 5.5 million to clear the final tranche of loans and borrowings. Overall reducing net cash inflows from operations to USD 33.4 million. Post period cash of USD 64.0 million was received recovering the trade receivable on the final lifting for the year.

The group's cash position at the end of the period was USD 79.7 million (2023: USD 46.2 million).

Parent company results

At the presentation date of the financial statements, the parent entity of the group was PetroNor E&P ASA, a company domiciled in Norway.

The company reported a loss for the period of USD 8.1 million (2023: USD 2.5 million). In the prior year, the company's financial activities were corporate including professional fees and fees for the services of the board of directors.

Dividends paid or recommended

An updated dividend policy was agreed at the AGM in May 2024, subsequently a shareholder return of capital equivalent to 2 NOK per share was proposed. This was approved at the EGM post year end and paid on 31 January 2025.

RISK FACTORS

Operational risk factors

The group participates in oil and gas projects in countries in West Africa with emerging economies, such as the Republic of Congo (Brazzaville), Nigeria and The Gambia.

Oil and gas exploration, development and production activities in such emerging markets are subject to significant political and economic uncertainties that may include, but are not limited to, the risk of war, terrorism, expropriation, nationalisation, renegotiation or nullification of existing or future licences and contracts, changes in crude oil or natural gas pricing policies, changes in taxation and fiscal policies, imposition of currency controls and imposition of international sanctions. Travel bans, asset freezes or other sanctions may be imposed and have historically been imposed on countries in which the group operates.

The jurisdictions in which the group operates may also have less developed legal systems than more established economies which could result in risks such as:

i. effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain;

ii. a higher degree of discretion on the part of governmental authorities;

iii. the lack of judicial or administrative guidance on interpreting applicable rules and regulations;

iv. inconsistencies or conflicts between and within various laws, regulations, decrees, orders, and resolutions; or

v. relative inexperience of the judiciary and courts in such matters.

In certain jurisdictions, the commitment of local business people, government officials and agencies, and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the company's licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured. The jurisdictions in which the group has operations have a low score on the Transparency International's Corruption Perception Index, which implies that these countries are perceived as jurisdictions where there is a higher risk of corruption.

Transparency International Corruption Perceptions Index 2024

Country	Score	Rank
Norway	81	5
Australia	77	10
United Kingdom	71	20
Cyprus	56	46
Gambia	38	96
Nigeria	26	140
Congo	23	151

The group may also target acquisitions in other countries in Africa. The production sharing or other licencing contracts in such jurisdictions may provide for payments to the governments and/or national oil companies (farm-in fees, signature bonuses, taxes, training budgets, equipment budgets, carry of certain expenditures, etc.). Furthermore, the group has a number of consultants working for it in the area. Although the group believes all its consultancy agreements are entered into on clear and transparent terms, there is a risk that agents or other persons acting on behalf of the group may engage in corrupt activities without the knowledge of the group. Under applicable laws relating to the group's assets, local participation is or may be required in the oil and gas sector, but it may prove difficult to always receive final confirmation as to who the ultimate owners and affiliations of such local partners are. Through the group's investigation, it has not been possible to substantiate ultimate ownership and affiliations of all, current local partners in Congo. However, the company has obtained information from the Økokrim case file that shows potential government affiliations within the ultimate shareholders of the local partners in Congo. Corrupt practices of third parties or anyone working for the group or any of its affiliated parties, or allegations of such practices, may have a material adverse effect on the reputation, performance, financial condition, cash flow, prospects and/or results of the group.

While the Økokrim personal investigation into individuals associated with the company continues without resolution, business partners may be required to perform enhanced Know Your Customer (KYC) procedures on PetroNor before they can engage with the group. This may cause delays to new operations or even stop possible relationships depending on the risk profiles of individual businesses.

Business risk factors

The group's business, results of operations, value of assets, reserves, cash flows, financial condition and access to capital depend significantly upon, and may be adversely affected by, the level of oil and gas prices, which are highly volatile.

The group's revenues, cash flow, reserve estimates, profitability and rate of growth depend substantially on prevailing international and local prices of oil and gas. Prices for oil and gas may fluctuate substantially based on factors beyond the group's control. Consequently, it is impossible to accurately predict future oil and gas price movements. Oil and gas prices are volatile and have witnessed significant changes in recent years, for many reasons, including, but not limited to, changes in global and regional supply and demand, geopolitical uncertainty, availability of equipment and new technologies, weather conditions and natural disasters, terrorism as well as global and regional economic conditions. Sustained lower oil and gas prices or price declines may inter alia lead to a material decrease in the group's net production revenues.

Currently, all of the group's production comes from fields in the PNGF Sud asset in Congo Brazzaville. The group's operations and cash flow will be restricted to a very limited number of fields.

If mechanical or technical problems, storms, shutdowns or other events or problems affect the current or future production of the current producing assets of the group, or new fields coming into production, it may have direct and significant impact on a substantial portion of the group's production and hence the group's revenue, profits and financial position as a whole.

Lagos City, Nigeria

Rising climate change concerns have led and could lead to additional legal and/or regulatory measures which could result in project delays or cancellations, a decrease in demand for fossil fuels and additional compliance obligations, each of which could materially and adversely impact the group's costs and/or revenues.

In general, the group's operations are subject to risks which are typical for the offshore oil and gas industry, all of which may have a material adverse effect on the group's operations, cash flow and financial position, relating (but not limited) to the following:

- extension of existing licences and permits, including whether any extensions will be subject to onerous conditions;
- delays, cost inflation, potential penalties, and regulatory requirements with respect to exploration, development projects and production of hydrocarbons, which may lead to hydrocarbon production being restricted, delayed or terminated due to a number of internal or external factors;
- decommissioning obligations and activities which will incur costs that may be in excess of expectations and budgets;
- third-party operators and partners and conflicts within a licence group, such as the publicly known disputes within the Aje group;
- capacity constraints and cost inflation in the service sector and lack of availability of required services and equipment;
- legal disputes and legal proceedings the group may be involved in in order to defend or enforce any of its rights or obligations under its licences, agreements or otherwise, which may be costly and time consuming;
- legal charges against individuals who are related to the company, i.e. the ongoing prosecution against persons who are major shareholders of and related to the company, which may lead to reputational damage and complications related to the group's dealing with third parties and the authorities and its raising of debt and equity financing;
- restricted or limited access to necessary infrastructure or capacity booking for the transportation of oil and gas;
- restrictions with respect to offtake of oil and gas, including currency exchange regulations delaying or preventing timely settlement, off-taker credit risks as well as hostilities or acts of terrorism or war preventing offtake or impeding offtake and further production of crude;

- restrictions in the ability to sell or transfer licence interests due to regulatory consent requirements, provisions in its joint operating agreements, including pre-emption rights, if any, or applicable legislation;
- extremely complex and stringent regulations concerning health, safety, and environment issues; and capsising, environmental pollution to sea and air and other maritime disasters.

Financial risk factors

The overall risk management programme seeks to minimise the potential adverse effects of unpredictable fluctuations in financial markets on financial performance, i.e., risks associated with currency exposures and debt servicing. Financial instruments such as derivatives, forward contracts and currency swaps are continuously being evaluated for the hedging of such risk exposures.

Due to the international nature of its operations, the group is exposed to risk arising from currency exposure, primarily with respect to the Norwegian Kroner (NOK) and the Central African CFA franc (XAF) which is pegged to the Euro (EUR).

The group's activities are and will continue to be capital intensive. The group expects future investments into existing and new hydrocarbon assets to be served by cash flow from ongoing operations. However, it is also expected that the group will look to raise debt to part-fund future growth. Such debt may not be timely available, or only be available at terms which are unattractive or makes investments less profitable than first expected. Restrictions in raising, or the unavailability of debt may prevent the group from progressing as planned and may cause the group to forego or lose attractive opportunities which in turn could have a negative impact on the group's financial position and future prospects.

SHARE CAPITAL

PetroNor E&P ASA is listed on the Oslo Stock Exchange where it trades under the ticker symbol PNOR.

The company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the company. Each of the shares carries one vote. The shares are freely transferrable. The Articles of Association do not provide for any restrictions on the transfer of shares, or a right of first refusal for the shares. Share transfers are not subject to approval by the board of directors. The shares are registered in book-entry form with the Norwegian Central Securities Depository (VPS) and have NO0012942525.

At 28 March 2025, the company had 6,891 shareholders and 142,356,855 shares. The table below shows the 20 largest shareholders in the company:

#	Shareholder	Number of shares	Per cent
1	Petromal LLC[1]	48,148,167	33.82%
2	Symero Limited	14,226,364	9.99%
3	Ambolt Invest AS[2]	8,758,329	6.15%
4	Sjøvollen AS	5,979,072	4.20%
5	Gulshagen III AS[3]	4,500,000	3.16%
6	Gulshagen IV AS	4,500,000	3.16%
7	Nordnet Bank AB	3,222,079	2.26%
8	Nordnet Livsforsikring AS	3,208,438	2.25%
9	Interactive Brokers LLC	1,001,872	0.70%
10	Morgan Stanley & Co. Int. Plc.	842,381	0.59%
11	Omar Al-Qattan	764,546	0.54%
12	Leena Al-Qattan	764,546	0.54%
13	UBS Switzerland AG	734,620	0.52%
14	Enga Invest AS	700,000	0.49%
15	Danske Bank A/S	624,377	0.44%
16	Saxo Bank A/S	545,653	0.38%
17	Marine AS	545,000	0.38%
18	Avanza Bank AB, Meglerkonto	533,696	0.37%
19	BNP Paribas Financial Markets	475,103	0.33%
20	Jon Sigurdsen	437,137	0.31%
	Subtotal	100,511,380	70.61%
	Others	41,845,475	29.39%
	Total	142,356,855	100.00%

[1] *All of the shares held by Petromal LLC are recorded in the name of nominee company, Clearstream Banking S.A. on behalf of Petromal LLC. PetroNor chair of the board, Mr. Joseph Iskander is Chief Executive Officer of Emirates International Investment Company, sister company to Petromal LLC.*

[2] *Ambolt Invest AS is a company controlled by board member Mr. Norman-Hansen.*

[3] *Gulshagen III AS is a company controlled by Sjøvollen AS.*

Options

Unissued shares under option

At the date of the publishing of this report there were no share options in the company.

No ordinary shares were issued on the exercise of options in 2024 (2023: nil).

Interests in shares & options

At the date of this report:

- Board member, Jarle Norman-Hansen holds directly and through an indirect beneficial interest 8,973,389 shares. No other current directors hold shares or options.
- CEO, Jens Pace holds 146,553 shares.

Meetings of directors

The board of PetroNor E&P ASA held a total of 16 board meetings and one extraordinary meeting in 2024.

Indemnifying directors and officers

The group has taken out an insurance policy to indemnify the directors and officers of the group against liability when acting for the group.

ESG

PetroNor is required to report on its corporate responsibility and selected related issues under §2-3 and §2-4 of the Norwegian Accounting Act. The detailed reporting on all relevant topics can be found in the separate ESG report, which is included in this annual report on pages 53-78.

CORPORATE GOVERNANCE

Good corporate governance supports long-term value creation for shareholders, employees, and stakeholders. PetroNor's board has established governance principles to clarify roles between the board, executive management, and shareholders, based on the Norwegian Code of Practice for Corporate Governance.

PetroNor E&P ASA is subject to annual corporate governance reporting requirements under section 2-9 of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance, cf. section 7 on the continuing obligations of stock exchange listed companies.

The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021, may be found at www.nues.no. The group's Code of Conduct is available on the company's website. The annual statement on corporate governance for 2024 has been approved by the board and can be found on pages 28-32 in this annual report.

RESEARCH AND DEVELOPMENT

The group made no investments in research and development in 2024 or 2023.

PAYMENTS TO GOVERNMENTS

This country-by-country report has been developed to comply with the legal requirements in the Norwegian Security Trading Act ("Verdipapir-handelloven") § 5-5a. The detailed regulation can be found in the regulation "Forskrift om land-for-land rapportering".

In 2024, the company was engaged in extracting activities encompassed by the legislation above in the following countries: Republic of Congo and The Gambia. This report discloses relevant payments to governments for extractive activities in the countries above, in addition to some contextual information as required by the regulation in the "Forskrift om land- for-land rapportering".

Basis for preparation

The report includes direct payments to governments from subsidiaries, joint operations, and joint ventures. In some cases, however, certain payments to governments may be made by an operator on behalf of a partnership. This is often the case for area fees. In such cases, the company will report their paying interest share of the payment made by the operator.

Definitions

Government – In the context of this report, a government means any national, regional, or local authority of a country. It includes a department, agency or undertaking controlled by that authority.

Project – For this reporting, a project is defined as an investment in a concession agreement.

Licence fees – Typically levied on the right to use a geographical area for exploration, development, and production, and include rental fees, area fees, entry fees, severance tax, concession fees and other considerations for licences and/or concessions. Administrative government fees that are not specifically related to the extractive sector, or to access extractive resources, are excluded.

Materiality – As per the "Forskrift om land-for-land rapportering", payments made as a single payment, or as a series of connected payments that equal or exceed Norwegian Kroner (NOK) 800,000 during the year are disclosed.

Reporting currency – Payments to governments are converted from the functional currency of each legal entity into the presentation currency, United States Dollars (USD). The payments for entities whose functional currencies are other than USD are converted into USD at the foreign exchange rate at the average annual rate.

Payments to governments and contextual information

The consolidated overview below discloses the sum of the company's payments to governments in each individual country where extractive activities are performed, per country/project.

Payments per project

In USD thousand	Royalties	Oil tax	Other amounts	Total
PNGF Sud	24,442	39,976	422	**64,840**
Total Congo	24,442	39,976	422	**64,840**
A4	Nil	Nil	952	**952**
Total The Gambia	Nil	Nil	952	**952**

"Other amounts" include payroll, payments under licence obligations, and other local taxes.

Legal entities by country

As per the "Forskrift om land-for-land rapportering" it is required that the company report on certain contextual information at a corporate level. This includes information on localisation of subsidiary, employees per subsidiary, and interests paid or payable to other legal entities within the group.

Active legal corporate structure of the group during 2024 is set out below:

	Main country of operations	Number of employees	Interest paid or payable to a group entity /USD thousand
Norway			
PetroNor E&P ASA	Norway	-	16
PetroNor E&P Services AS	Norway	3	-
Hemla Africa Holding AS	Norway	-	10
Australia			
PetroNor E&P Pty Ltd	Australia	-	12
Cyprus			
PetroNor E&P Ltd	Cyprus	-	10
Republic of Congo			
Hemla E&P Congo SA	Republic of Congo	3	-
United Kingdom			
PetroNor E&P Services Ltd	United Kingdom	5	-
Cayman Islands			
African Petroleum Corporation Ltd	Cayman Islands	-	-
Petroleum E&P Gambia Ltd	The Gambia	3	-
Sweden			
PetroNor E&P AB	Guinea-Bissau	-	-

[1] *Average number of employees' during the year excluding directors.*

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

An interim balance sheet as of 9 December 2024 was approved at an EGM held on 23 January 2025. This enabled the approval of a shareholder distribution equivalent to NOK 2 per share that was finally paid out on 31 January 2025. USD 25.6 million of cash was used to payout this distribution.

The year-end trade receivable balance of USD 64.0 million was converted into cash in January 2025 after payment of the significant sales overlifting of oil on 29 December 2024. In effect, monetising a large proportion of the company's entitlement oil from anticipated H1 2025 production in Congo within the first few weeks of the calendar year.

On 2 April 2025, PetroNor advised that it had been notified by the DoJ that they have closed their investigation into the Company.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The operator's plan for well infill drilling program on PNGF Sud has been updated, shifting focus with five wells now planned on Tchibouela East in 2025 to boost production in this field.

The next lifting of entitlement oil is not expected until H2 2025, with H1 2025 production first replenishing the oil stock position after the overlift in December 2024.

The company awaits the results of the Atum-1X well in Guinea-Bissau spudded early September, after the 100 per cent farm-out to Apus Energia Guiné-Bissau SA in 2023. The new operator has not yet announced the results. A successful well would increase the likelihood of the next contingent consideration payment of USD 30 million, (paid on government approval of a field development plan) and could have a positive impact on the outlook for other regional exploration interests.

DECLARATION BY THE BOARD OF DIRECTORS AND CEO

We hereby confirm that, to the best of our knowledge, the consolidated annual financial statements for 1 January to 31 December 2024 have been prepared in accordance with applicable accounting standards and that the information in the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company. We confirm that the financial statements give an accurate and fair view of the development, profit, and position of the company, as well as a description of the principal risks and uncertainties it is facing.

Oslo, Norway, 28 April 2025
The board of directors and CEO – PetroNor ASA

Joseph Iskander
Chair

Andri Georghiou
Director

Jarle Norman-Hansen
Director

Jens Pace
CEO

The board wishes to thank the staff, consultants, services providers and shareholders for their continued commitment to the company.

Sustainability

UN Sustainable Development Goals

PetroNor has aligned with United Nations Sustainability Development Goals (SDGs) to contribute to global sustainable development efforts.

As a responsible business, we support each of the SDG, and all SDGs are important to us through our values and our way of working.

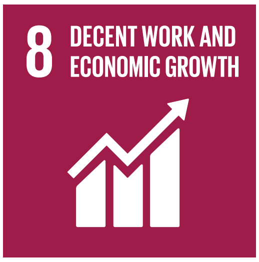
PetroNor has identified four key SDGs where we have the most potential to influence and add value.

SDG 3
Good health and well-being

Our aim is zero accidents and a safe work environment across all operations. We actively seek to improve and address concerns from employees and third parties. In 2024, the company finalised a water well-digging project in Congo.

SDG 7
Affordable and clean energy

Recognising natural gas as a crucial energy transition fuel in Africa, PetroNor are working to realise a redevelopment project supplying local markets with natural gas.



SDG 8
Decent work and economic growth

PetroNor is proud to prioritise local employment and promote ethical and fair wages principles at all our sites. This positively contributes to decent work and economic growth wherever we operate.

SDG 16
Peace, justice, and strong institutions

PetroNor has established robust policies to emphasise the importance of ethical practices. We monitor conflicts or social instability near our operations, and we remain committed to peace and justice.

Sustainability report 2024

Comments from the Group Financial Controller

2024 marked a sustainability milestone as we are disclosing our first climate account.

In 2024, PetroNor has continued to improve on its sustainability efforts, both on its own merits to participate in the transition towards cleaner fuels as well as towards CSRD compliance within the next couple of years.

This has implied giving strong support to the operator of our main asset in the Republic of Congo in their efforts to operate the fields in an ESG-prudent manner. Further, we progress the Aje gas field re-development to provide cleaner fuel for Nigeria and surrounding countries.

With regards to mandatory EU sustainability reporting rules, we continue to strengthen our efforts toward CSRD compliance. These efforts include emissions reporting for the first time, undertaking a climate-risk assessment following the guidelines of the TCFD, as well as conducting a double materiality assessment. These initiatives reflect our ambition of aligning with evolving regulatory expectations.

Chris Butler
Group financial controller

Performance highlights 2024

	Comprehensive GHG emissions reporting	Completed PetroNor's first extensive GHG emissions reporting in alignment with the GHG Protocol, ensuring accurate field data for Scope 1 and Scope 2 emissions. Internal efforts also focused on establishing a robust baseline for future reporting.
	Double materiality assessment	Successfully conducted a double materiality process, adhering to the European Sustainability Reporting Standards (ESRS) requirements and following the European Financial Reporting Advisory Group's (EFRAG) recommendations.
	Climate-risk assessment (TCFD)	Carried out a climate-risk analysis aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify and address climate-related risks and opportunities.

General information

About the report

This is PetroNor E&P's 2024 Sustainability Report. We have used the European Sustainability Reporting Standards (ESRS) to guide our reporting, starting to approach the new EU sustainability reporting requirements applicable to the company from the fiscal year 2027. PetroNor has a proactive stance towards future sustainability compliance.

The scope of the sustainability report is the same as for the financial statements, with an additional focus on reporting material topics within our value chain. The report covers the fiscal year from 1 January 2024 to 31 December 2024. The environmental, social and governance (ESG) sections of PetroNor's sustainability report cover the sustainability topics which we consider to have material impacts, risks, and opportunities.

The ESRS index in this report provides an overview of the disclosures made according to ESRS. We have also included a chapter for other reporting requirements. The sustainability reporting has not been externally assured. The EU adoption of the "stop-the-clock" directive in April 2025 will delay the obligation for limited assurance in sustainability reporting until FY 2027.

PetroNor annually publishes a sustainability report.

Any questions related to this report, or the sustainability work can be directed to:
ir@petronorep.com.

ESRS-INDEX (ESRS 2 IRO-2)

The ESRS index provides readers with guidance on how PetroNor has applied the European Sustainability Reporting Standards (ESRS). The index points to where the information can be found in:

***SR:** PetroNor E&P Sustainability Report 2024*

CHAPTER	STANDARD	DISCLOSURE REQUIREMENT	PAGE
GENERAL INFORMATION			
About the report	ESRS 2	BP-1, BP-2, IRO-2	SR 55, 56
Sustainability governance	ESRS 2	GOV-1, GOV-3, GOV-4	SR 57
Sustainable strategy and business model	ESRS 2	SBM-1	SR 59
Stakeholder engagement 2024	ESRS 2	SBM-2	SR 60, 61
Materiality assessment 2024	ESRS 2	SBM-3, IRO-1, GOV-2	SR 62
Impact, risk and opportunity management	ESRS 2	MDR-P	SR 63
ENVIRONMENTAL INFORMATION			
Climate change			
Policies	ESRS E1	E1-2	SR 65, 66
Action and resources	ESRS E1	E1-3	SR 65, 66
Targets	ESRS E1	E1-4	SR 65, 66
Metrics	ESRS E1	E1-4, E1-9	SR 66
Pollution			
Policies	ESRS E2	E2-1	SR 65
Action and resources	ESRS E2	E2-2	SR 65
Targets	ESRS E2	E2-3	SR 65
Metrics	ESRS E2	E2-6	SR 65
SOCIAL INFORMATION			
Own workforce			
Policies	ESRS S1	S1-1	SR 70
Processes	ESRS S1	S1-2	SR 70
Action and resources	ESRS S1	S1-4	SR 70
Metrics	ESRS S1	S1-7, S1-8, S1-9, S1-10, S1-14, S1-15, S1-16, S1-17	SR 71, 72
Workers in the value chain			
Policies	ESRS S2	S2-1	SR 72
Processes	ESRS S2	S2-2, S2-3	SR 72, 73
Action and resources	ESRS S2	S2-4	SR 73
GOVERNANCE INFORMATION			
Business conduct			
Policies and corporate culture	ESRS G1	G1-1	SR 74
Suppliers	ESRS G1	G1-2	SR 75
Corruption and bribery	ESRS G1	G1-3	SR 75
Metrics	ESRS G1	G1-4	SR 75

SUSTAINABILITY GOVERNANCE

PetroNor recognises the importance of sound sustainability governance to identify and manage risks associated with environmental, social and governance factors. Further, the governance structure ensures that we adhere to laws and regulations, and demonstrates how our commitment builds trust towards our stakeholders.

Governing bodies (ESRS GOV-1)

The board of directors and the CEO are responsible for the day-to-day management of the company, which includes responsibility for sustainability matters of material importance. PetroNor has organised the responsibility for sustainability under the finance function, ensuring that our objectives are aligned and integrated.

Additionally, PetroNor has used external consultants to aid the development and implementation of the company's sustainability efforts.

>> Corporate governance on page 28
>> Board of directors and management on page 34

The composition and diversity of the board of directors and management

A diverse group of decision-makers reflects PetroNor's commitment to approach its work with a nuanced and multi-layered perspective.

The board of directors gender diversity ratio	Independent board members ratio	The management gender diversity ratio
33%	66%	0%
One female and two males	Two independent and one non-independent	Zero females and three males

(at year-end 2024)

Integration of sustainability-related performance in incentive schemes (ESRS 1 GOV-3)

The remuneration performance criteria do not cover sustainability goals, but it will be considered whether such criteria should be incorporated.

>> Guidelines for remuneration of senior executives can be found within the annual remuneration reports on PetroNor's website

Statement on due diligence (ESRS 1 GOV-4)

Due diligence is the process through which PetroNor identifies, mitigates, and takes responsibility for actual and potential adverse impacts on the environment and people related to its operations.

PetroNor is dedicated to implementing due diligence in alignment with the principles outlined in the UN Guiding Principles on Business and Human Rights, as well as the OECD Guidelines for Responsible Business Conduct, in compliance with the Norwegian Transparency Act.

In 2024, PetroNor revisited its previous risk assessments and conducted a risk management evaluation following the ISO 31000 standard. As in prior periods, risk assessments have had key employees with experience in procurement and the value chain actively involved in due diligence assessments. Fewer people were involved in the working group for this year's evaluation. The evaluation focused on five distinct categories and their corresponding activities:

- Exploration
- Appraisal
- Development
- Production
- Abandonment

No adverse potential and actual consequences were identified during the due diligence assessment.

PetroNor's approach to due diligence

1 Embed responsible business conduct into policies and management systems

- Code of Conduct
- Know Your Supplier Policy
- Anti-Bribery & Corruption Policy
- Anti-Money Laundering Policy
- Sanctions Policy
- Health, Safety, and Environment Policy

2 Identify and assess adverse impacts in operations, supply chains and business relationships

3 Cease, prevent or mitigate adverse impacts

4 Track implementation and results

5 Communicate how impacts are addressed

6 Remediation of negative impacts as far as possible

The activities related to PetroNor's due diligence work are presented in the table below.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy, and business model	▪ ESRS 2 GOV-2 Sustainability matters addressed page 62 ▪ ESRS 2 SBM-3 Material topics and how PetroNor understands them page 62
b) Engaging with affected stakeholders in all key steps of the due diligence	▪ ESRS 2 GOV-2 Sustainability matters addressed page 62 ▪ ESRS 2 SBM-2 Stakeholder engagement in 2024 page 61 ▪ ESRS 2 IRO-1 PetroNor's materiality process page 62 ▪ ESRS 2 MDR-P Embedding sustainability in our policies and processes page 63 ▪ S1-2 Engaging with own workers and workers' representatives page 70 ▪ S2-2 Engaging with value chain workers page 72
c) Identifying and assessing adverse impacts	▪ ESRS 2 IRO-1 PetroNor's materiality process page 62 ▪ ESRS 2 SBM-3 Material topics and how PetroNor understands them page 62 ▪ G1-1 Whistleblower programme page 74 ▪ ESRS 2 MDR-P Whistleblower policy page 63
d) Taking actions to address those adverse impacts	▪ ESRS E1-3 Actions and resources (climate change) page 62 ▪ ESRS E2-2 Actions and resources (pollution) page 65 ▪ ESRS S1-4 Taking actions (own workforce) page 70 ▪ ESRS S2-4 Taking actions (value chain workers) page 73 ▪ ESRS G1-1 Corporate governance page 74
e) Tracking the effectiveness of these efforts and communicating	▪ ESRS G1-1 Corporate governance page 74

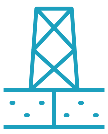
STRATEGY, BUSINESS MODEL AND VALUE CHAIN (ESRS 2 SBM-1)

PetroNor recognises the importance of sustainability in shaping its strategic direction, business model, and value chain activities. While sustainability is not formally integrated into these areas, related issues and concerns are regularly identified, raised, and discussed within the organisation. This ongoing dialogue ensures that sustainability considerations are informally embedded in decision-making processes to address any sustainability-related challenges in its operations and long-term planning.

This is how PetroNor defines the value chain:

Exploration

Acquisition of an interest in a licence from a government or another oil & gas company moving from pre-drilling activities such as seismic to finally drilling of an exploration well.



Appraisal

Further drilling activities and/or seismic to confirm the size of a discovery.

Development

Activities such as drilling production wells to install facilities to enable production of hydrocarbons from the reservoir.

Production

The period from first oil or gas to drain the reservoir in an efficient and economic manner.

Abandonment

When production is no longer economic, all wells need to be plugged and abandoned and facilities removed or remediated.

STAKEHOLDER ENGAGEMENT (ESRS 2 SBM-2)

PetroNor aims for continuous, active and open dialogue with the company's stakeholders and regularly seeks external views on its operations.

PetroNor follows the business environment actively and engages with relevant stakeholder groups. While not directly involved in the workshops on double materiality, the perspectives and sustainability focus areas for all relevant stakeholders were taken into the account when identifying and prioritising the different sustainability topics as defined by the ESRS.

PetroNor's key stakeholders

WHY WE ENGAGE	HOW WE ENGAGE	KEY TOPICS OF INTEREST IN 2024	HOW WE RESPONDED
Shareholders/investors We engage to provide the public with accurate, comprehensive, and timely information, to form a good basis for making decisions related to valuation and trade of the PetroNor share.	▪ Stock exchange and press releases ▪ Company presentations in connection with quarterly reporting ▪ Present at energy conferences ▪ Hold 1-to-1 meetings ▪ Update website	▪ Production level ▪ Project updates ▪ Financial status ▪ Shareholders' return ▪ Frequency in reporting ▪ Growth of business	▪ Provide detailed disclosures and commentary on business outlook and financial performance ▪ Announce dividend policy ▪ Continue quarterly reporting
Customers Off-take customers are core to our business and it is critical to our success to be acknowledged as reliable and trustworthy.	▪ Meetings and email correspondence	▪ Product volumes, pricing and schedule	▪ Direct discussions trying to accommodate both customer and PetroNor's needs ▪ General communication with regards to our current sold oil volumes
Suppliers We expect our suppliers to deliver on their promises while living up to internationally recognised best practices.	▪ Meetings and email correspondence ▪ Request for Proposal (RFP)	▪ Future business needs ▪ Quality of current services and products	▪ Regular update meetings ▪ Give feedback of RFPs ▪ Strict use of procedure in the Know Your Supplier policy
Euronext We engage with Euronext to uphold transparent and efficient market operations contributing to a reliable platform.	▪ Respond on initiatives from Euronext	▪ Transparency ▪ ESG ▪ New regulations	▪ Update Governance procedures ▪ Feedback on ESG efforts ▪ Adopt and apply new regulations
Financial institutions We collaborate with financial institutions to secure funding, manage financial transactions, and maintain strong financial stability, ensuring sustained growth and stability for PNOR.	▪ Direct contact ▪ Frequent meetings ▪ Contact via brokers	▪ Make cash available for shareholder distributions ▪ Available equity ▪ Pledging ▪ Financing of acquisition and development opportunities ▪ Efficiency in day-to-day banking services ▪ KYC	▪ Regular status updates in meetings or by email ▪ Provide detailed feedback on questions
Employees & management We depend on our employees, their knowledge, engagement, and great diversity to successfully deliver our strategy.	▪ Open communication (frequent virtual and face to face meetings) ▪ Coaching	▪ Company strategy and way forward ▪ Governance ▪ Bribery & corruption risk	▪ Coaching ▪ Code of Conduct and all relevant policies translated and presented in French
Government/regulators We engage with governments and regulatory bodies to ensure compliance with laws, regulations, and ethical standards, contributing to a transparent and responsible business environment.	▪ Seek early dialogue and communication ▪ Travel for face-to-face meetings	▪ License terms ▪ Capability to execute (operationally and financially)	▪ Constructive discussions ▪ Timely and orderly feedback on progress and improvements
Licence partners	▪ License meetings ▪ Informal meetings ▪ Travel for face-to-face meetings	▪ Operational updates ▪ ESG ▪ Financial status	▪ Constructive feedback ▪ Receive ESG-reporting from operator of license
Nature (silent stakeholder) Recognising the environmental context of the oil and gas industry, we consider nature as a silent stakeholder, striving to minimise environmental impact within the parameters of our operations.	▪ Entertain discussions with field operators ▪ Conducting climate risk assessment following the TCFD guidelines	▪ Emissions and spills ▪ Environmental studies	▪ Request information from license operators ▪ Undertake Environmental & Social Impact Assessment for Aje development in Nigeria

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES (ESRS 2 GOV-2, ESRS 2 SBM-3, ESRS 2 IRO-1)

Building upon the foundation from previous sustainability reports, PetroNor has conducted a double materiality assessment to ensure consideration of all ESG topics laid out in in the ESRS.

The assessment was carried out in accordance with the European Financial Reporting Advisory Group (EFRAG) framework and focused on identifying and prioritising material topics through a structured, multi-step process.

The analysis centred on PetroNor's activities in the Republic of Congo, as these operations are the most impactful within its portfolio. The process involved a high degree of top-level management participation, supplemented by insights from various stakeholders, including employees, competitors, and global sustainability trends. This broad engagement helped ensure the legitimacy and relevance of the identified material topics.

The materiality process was conducted in three main steps:

1. ***Understanding the Context***
   PetroNor began by mapping its activities, business model, and value chain to define the scope of the analysis. This included identifying stakeholders and reviewing the year's stakeholder dialogue, defining the time horizon, and analysing global megatrends to understand the broader context influencing sustainability.
2. ***Identifying Impacts, Risks, and Opportunities (IRO)***
   Through qualitative methods, the team collected relevant documentation and data and conducted workshops to identify both positive and negative, actual and potential IROs. The process leveraged the European Sustainability Reporting Standards (ESRS) framework to structure discussions and identify material topics along the value chain.
3. ***Assessing and determining IROs***
   The identified impacts were then evaluated quantitatively by customising a scoring methodology and setting threshold values. This step determined the impact and financial materiality of each topic, consolidating the results into a clear prioritisation of material topics.

While the materiality analysis concentrated on key topics and did not explore sub-topics in detail, these sub-topics served as a framework for workshop discussions. This first assessment underscores PetroNor's commitment to embedding sustainability into its operations and aligns with evolving regulatory and stakeholder expectations.

Material topics and how PetroNor understands them

- **Climate change:** Mitigating climate change by reducing greenhouse gas emissions and adapting to climate change.
- **Pollution:** Protecting fresh air and preventing ambient air pollution by mitigating emissions to air.
- **Own workforce:** Safe work environment, developing, recruiting, and retaining employees and build an inclusive and diverse working environment.
- **Workers in the value chain:** Understanding and managing social impacts along the value chain.
- **Business conduct:** Honouring responsible business conduct and promoting accountability by maintaining proper policies and practices, with zero-tolerance to bribery and corruption.

Non-material topics and why

- **Water and marine resources:** Will be important in the next phase of redeveloping the Aje field in Nigeria, where PetroNor will be responsible in provision of technical assistance.
- **Biodiversity and ecosystems:** Will be important in the next phase of redeveloping the Aje field in Nigeria, whereas there will be offshore and onshore development activities.
- **Circular economy:** Resource extraction will only become a circular activity when carbon capture and storage technologies are further enhanced and readily available.
- **Affected communities:** PetroNor is always keen on positively contributing to its affected communities. Through careful collaboration with the operator, local communities in the Republic of Congo benefit from several community engagements. PetroNor does does not itself directly impact and as such the topic has been deemed not material.
- **Consumers and end-users:** PetroNor sell their products business to business, and consumers and end-users are thus involved at a later stage in the product life cycle.

PetroNor did not identify any entity-specific topics in the double materiality assessment.

EMBEDDING SUSTAINABILITY IN POLICIES AND PROCESSES (ESRS 2 MDR-P)

PetroNor's board of directors are responsible for establishing the corporate governance framework of the company. The company has implemented corporate values, ethical guidelines, and policies for corporate social responsibility, which are delineated in PetroNor's Code of Conduct, with more detailed information available in specific policies available online.

The company provide the following governance documentation, available in both English and French, on the company website:

- Code of Conduct
- Anti-Bribery & Corruption Policy
- Anti-Money Laundering Policy
- Sanctions Policy
- Know Your Supplier Policy
- Health, Safety & Environmental Policy

Where applicable, the standards and policies have been developed based on internationally recognised initiatives such as UN's Global Compact's principles, OECD Guidelines for Multinational Enterprises, ILO conventions and the United Nations Convention against Corruption.

Both the board of directors and management aspire to achieve controlled and profitable development, fostering long-term growth through well-founded governance principles and effective risk management. The board places significant emphasis on identifying optimal operational procedures to realise the objectives outlined in these corporate governance guidelines and principles.

Design for planned upgrade to the Brikama Health Centre neonatal unit, The Gambia.

Environmental information

PetroNor operates in an emission-intensive sector, and as such places a strong emphasis on mitigating harmful emissions by adapting our ways of workings where it is feasible and suitable. The company has identified pollution and climate change as key environmental concerns.

Perenco is our operator in the Republic of Congo.

Perenco is a private oil & gas company producing around 500,000 boepd gross worldwide, whereof approx. 30,000 boepd in the licence PetroNor holds 16.83% working interest. Perenco's efforts on the ESG are reported in extensive annual sustainability reports. In the last published report (2023) they stated (among other things) the following:

- Tchendo – part of Gas-to-Power projects within Perenco portfolio, allowing valorisation of 8 million standard cubic feet per day.
- A Central African Oil Spill centre also covering Congo operations – this is in addition to local oil spill response equipment. Perenco is also member of OSRL (Oil Spill Response Ltd), an intervention company that provides worldwide coverage.
- Implemented a minimum base for healthcare provision – to ensure employees and their families are treated fairly and protected.
- Fostering open dialogue with stakeholders – in accordance with OECD guidelines Perenco executes CSR programs. To ensure success, Perenco encourage their partners, and others, to participate alongside Perenco.

These statements have relevance to PetroNor and its assets in the Republic of Congo.

PetroNor has a strong co-operation with the Perenco organisation based in Pointe-Noire. We are both supportive and demanding with regards to ESG-issues in our interaction with them. PetroNor are of the opinion that Perenco has ESG high on the agenda in all their proposals and execution for field development and operations. One example in the Tchendo platform which will materially improve the environmental footprint. Additionally in their day-to-day operations PetroNor believe Perenco hold a very high standard and are open to proposals for improvements from smaller partners.

CLIMATE CHANGE AND POLLUTION

PetroNor is active in oil and gas exploration and production. The main risks for climate change are combustion gases containing CO_2 arising from the fields of operations. Further, methane leakage in the production process could also add significant adverse effects on the climate. With regards to pollution, the risk of oil spills is always present, although extremely low, in oil and gas exploration and production. Spills of toxic chemicals could also pose an extra pollution risk.

PetroNor's most material activity in 2024, that was directly linked to climate change and pollution, was the oil and gas production in the Republic of Congo. PetroNor is partner in these licences, whereas Perenco is the operator. PetroNor is exercising its influence on climate change and pollution through active participation in the official decision bodies of the licences, as well as having informal communication and dialogue.

MATERIALITY MANAGEMENT

Policies for climate change (ESRS E1-2, E2-1)

The company has included environmental considerations into the Code of Conduct, and the HSE policy.

>> Integrating sustainability into our policies and processes, page 63

PRIORITIES AND PERFORMANCE 2024

Actions and resources aligned with climate change and pollution policies (E1-3, E2-2)

PetroNor allocates resources to implement actions aligned with its climate change and pollution policies. This includes carrying out environmental impact assessments (EIAs), establishing and monitoring environmental management plans, and developing contingency plans to swiftly mitigate potential damage. Currently, PetroNor together with its partners in OML 113 in Nigeria are undertaking an Environmental and Social Impact Assessment (ESIA) as a pre-condition for the future development of the Aje field.

Carrying out EIAs prior to all major activities is one way PetroNor seeks to minimise any adverse impact on the environment. The company communicates the results to all government agencies and other relevant stakeholders.

To the company's knowledge, no breaches of the environmental regulations governing the group's exploration and production licences have been identified in 2024.

The company is aware of its environmental responsibilities related to exploration activities and diligently ensures compliance with environmental regulations during all exploration work.

CARBON ACCOUNTING

Methodology for carbon accounting (E1-6)

PetroNor follows the GHG Protocol to account for greenhouse gas (GHG) emissions. Our methodology ensures accuracy, transparency, and consistency while addressing data challenges. It supports regulatory alignment, risk management, and strategic decision-making.

1. Scope and boundaries

- Scope 1: Direct emissions from owned or controlled assets, following the equity share approach to reflect operational investments.
- Scope 2: Indirect emissions from purchased electricity, calculated using location- and market-based methods.
- Scope 3: Excluded due to data unavailability and non-mandatory reporting.

2. Data collection

Operational data is gathered by PetroNor's CTO and business partner Perenco. Utility providers supply electricity data, with estimations used when direct data is unavailable. Data gaps exist in certain regions, and efforts are ongoing to improve collection and accuracy.

3. Calculation methodology

Emission factors are applied to activity data based on international standards (DEFRA, IEA, etc.). Key considerations include:

- Variability in emission factors due to regional fuel composition.
- Data gaps and estimation methods for certain locations.
- Continuous review and improvement of data quality.

4. Reporting & conclusion

We remain committed to transparency and continuous improvement in our GHG reporting and will through periodic reviews attempt to enhance data accuracy. By applying the equity share approach, we have ensured that the reported emissions accurately reflect our operational impact and sustainability efforts. The climate account for the FY24 will serve as a baseline for future emission reporting.

Key GHG and energy metrics

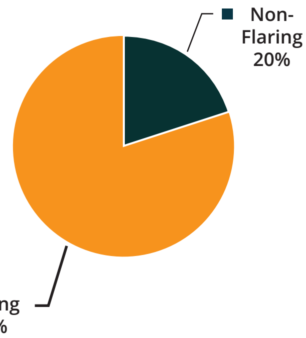
GHG emissions and energy metrics	Unit	2024
Oil produced	MMboe	1.981
Direct GHG emissions (Scope 1)	tons CO_2e	79,380
Indirect GHG emissions (Scope 2 Location based)	tons CO_2e	4.4
Indirect GHG emissions (Scope 2 Market based)	tons CO_2e	4.2
GHG emissions (Scope 1 + Scope 2 Marked based)	tons CO_2e	79,384
GHG emissions (Scope 1 + Scope 2 Location based)	tons CO_2e	79,385
GHG intensity – Scope 1 & 2 (emissions per boe_1)	kg CO_2e per boe	40.07
GHG emissions excl. flaring	tons CO_2e	16,149
GHG emissions from flaring	tons CO_2e	63,235
Energy production equivalent[1]	MWh	3,415,975

[1] *Factor estimate from oil and gas sales volumes:* https://www.norskpetroleum.no/en/calculator/about-energy-calculator/

THE WAY FORWARD

In 2024, PetroNor took significant steps toward climate accountability. Building upon the good momentum, in 2025, PetroNor will focus on improving the collection, accuracy, and quality of data related to its climate accounting. Additionally, the company is committed to reducing flare gas emissions as part of the industry's broader goal to minimise greenhouse gas emissions. PetroNor remains dedicated to refining its processes and aligning with evolving sustainability standards.

Flaring is the main source of Greenhouse gas emissions



Statement on financial climate-related risks and opportunities

Financial markets need clear, comprehensive, high-quality information on the impacts of climate change. This includes the risks and opportunities presented by rising temperatures, climate-related policies, and emerging technologies in a changing world. The Financial Stability Board (FSB) created the Task Force on Climate-Related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information.

The TCFD framework is structured around four thematic areas that represent core elements of how organisations operate:

- Governance
- Strategy
- Risk management
- Metrics and targets

Moreover, the framework contains three main categories:

- Risks related to the physical impacts of climate change
- Risks related to the transition to a low carbon economy
- Climate-related opportunities

The TCFD has also incorporated financial impact as an integral part of the disclosure recommendations.

This is the first year PetroNor E&P has prepared climate risk disclosures in line with the recommendations set out by the TCFD.

GOVERNANCE

Board oversight of climate-related risks and opportunities

The board of directors and the CEO are responsible for the day-to-day management of the company, including sustainability matters. PetroNor E&P has organised sustainability responsibilities jointly under the finance and business development functions to ensure alignment and integration of objectives. External consultants have been engaged to support the development and implementation of the company's sustainability efforts.

Preserving paradise [PF1]

PETRONOR TOGETHER WITH ITS OPERATOR CONTRIBUTES TO BIODIVERSITY

Through the PGNF Sud joint venture, led by operator Perenco, PetroNor supports a biodiversity conservation initiative in the Conkouati-Douli National Park, Republic of Congo. This 500,000-hectare Ramsar Site and UNESCO World Heritage area is a vital intersection of coastal, marine, and forest habitats.

In partnership with Project Noé, a public nature organisation, the initiative focuses on conserving biodiversity, protecting marine areas, and rehabilitating water infrastructure. To date, over 21 water wells have been restored, directly benefiting local communities. By engaging with local stakeholders, the project fosters ecological preservation and promotes sustainable coexistence between people and nature, highlighting PetroNor's dedication to environmental stewardship.

Management's role in assessing and managing climate-related risks and opportunities

PetroNor E&P conducts due diligence to identify, prevent, reduce, and take responsibility for managing actual and potential adverse impacts on the environment and people associated with its operations. This aligns with PetroNor E&P's commitment to the UN Guiding Principles for Business and Human Rights and OECD Guidelines for Responsible Business Conduct, as well as the Norwegian Transparency Act. In 2023, PetroNor E&P undertook a risk management evaluation based on ISO 31000 standards, involving key employees knowledgeable about their value chain and procurement processes. The examination covered all five main parts of the value chain: exploration, appraisal, development, production, and abandonment, with no adverse potential or actual consequences identified during the assessment.

Governance documentation and framework

PetroNor E&P's board of directors has established and are regularly updating the corporate governance framework, which includes corporate values, ethical guidelines, and policies outlined in the Code of Conduct. Detailed information is available on the company website regarding policies such as Anti-Bribery & Corruption, Anti-Money Laundering, Sanctions, Know Your Supplier, and HSE. These standards and policies are developed based on internationally recognised initiatives such as the UN Global Compact's principles, OECD Guidelines for Multinational Enterprises, ILO conventions, and the United Nations Convention against Corruption. Both the board and management prioritise controlled and profitable development by emphasising sound governance principles and effective risk management to achieve long-term growth.

STRATEGY

Time horizons

PetroNor E&P has defined the following time horizons for the risk assessment:

- Short term < 2 years
- Medium term 2 – 5 years
- Long term > 5 years

Every identified risk has been linked to one- or several-time frames.

Scenario analysis

As part of standard practice under the TCFD framework, PetroNor has assessed climate-related risks within the two categories: transition and physical risks. The identification process drew upon the three climate scenarios depicting global conditions in the year 2100, with different types of risks associated with the different scenarios.

Scenario 1: Low-emission society

Scenario 1 depicts a society in which global warming has stabilised at 1.5 degrees. This scenario represents high transitional risks, concretised through strict and extensive regulatory and reputational pressure, but low physical risks.

Scenario 2: Slow adaptation

Scenario 2 depicts a society in which attempts to stagnate global warming have failed, and the temperature increase has reached 2 degrees. This scenario represents medium transitional and physical risks.

Scenario 3: Climate disaster

Scenario 3 depicts a society in which global warming has surpassed 3 degrees. This scenario represents considerable physical risks as efforts to stagnate global temperature rise have totally failed. Consequently, this scenario is associated with low transitional risk.

Integration of sustainability matters into the overall strategy

PetroNor E&P have conducted their first double materiality assessment in 2024 to identify material sustainability matters by evaluating impacts, risks and opportunities. The strategy will be updated to integrate sustainability matters. This work will also strengthen the overall risk management process of the company.

ASSESSMENT OF CLIMATE RELATED RISKS

The following table summarises all the climate related risks considered significant for PetroNor E&P in the reporting year. The potential environmental impact and potential financial impact are described. Further, the main mitigating strategies to either prepare for the risks or capitalising on relevant opportunities are addressed. All risks are assigned a time frame.

		Description of risk	Potential impact	Potential financial impact	Mitigation strategy	Time frame
Physical	**Acute**	Power outages	Climate change and temperature increases may lead to increased frequency of wind and storms. Cases of trees falling on lines, water ingress, and lightning strikes may affect the likelihood and frequency of power outages.	Lost sales due to downtime.	Power for the main operations are supplied from own on-site sources and thus not exposed to climate changes. Onshore sites have separate and independent back-up power sources, normally a diesel-powered generator.	S/M/L
	Chronic	Rising sea levels	Sea levels may rise due to expanding ocean volumes from temperature increases and from melting glaciers and ice sheets.	Increased cost related to relocation.	Aje platforms are planned to be floating, and timeframe for the Congo platforms are shorter than for the risk to really materialise.	L
Transitional	**Policy & legal**	Higher carbon pricing	Higher GHG pricing levels pose regulatory and legal challenges, along with uncertainty about transitioning to a low-carbon economy.	Increased operational costs, legal liabilities, asset devaluation, and reduced profitability.	Monitoring discussions in each jurisdiction. Consider the potential of increased fiscal burden when making investment decisions.	M
		Enhanced emissions reporting obligations	Increased administrative burden, and heightened scrutiny from regulators and stakeholders regarding environmental performance.	Additional expenses for data collection, monitoring, and reporting systems, face fines for non-compliance, and experience potential investor and consumer backlash.	Establish: - routines for data gathering - adequate organisational structure - external support - early dialogue with operators in non-operated assets.	M
		Restrictions on emissions levels	Operational constraints, and technological challenges.	Increased compliance costs; the need for investment in emissions control technologies and other emission reduction measures, potential asset write-downs, and reduced profitability due to restrictions on emissions levels.	Monitoring discussions is each jurisdiction. Discuss early with operators in non-operated licenses Establish ESG-philosophy and guidelines in the planning of development activities and associated decision.	M
		GHG pricing	Emissions tax or other forms of GHG pricing in African countries.	Increased operational costs, reduced profit margins, investment uncertainty, higher regulatory compliance costs, diminished market competitiveness, and potential challenges in accessing capital.	Set-up working group to monitor regulatory changes and emerging obligations.	M
	Technology	Development of solutions/ projects that have lower emissions	Might necessitate significant investment and technological adjustments, potentially causing operational disruptions or delays.	Could enhance environmental profile and mitigate long-term financial risks associated with emissions regulations. The upfront costs and implementation challenges may strain short-term financial performance.	Establish a philosophy/strategy for emission reduction in all project stages. Conduct a cost-benefit analysis. Establish partnerships and collaborations.	L
		The replacement of current products and services with alternatives that have lower emissions	The replacement of current products and services with alternatives that have lower emissions.	Upfront capital expenditures for technology deployment, ongoing maintenance costs, potential project delays or setbacks, and uncertain returns on investment.	In each budget process, discuss with operators and partners looking at cost/benefits and the expectations of future legislation in each jurisdiction.	L
	Market	Change in customer preferences	Shifts in demand towards cleaner energy sources, impacting the market for traditional fossil fuels and potentially reducing its attractiveness.	Reduced revenue from declining demand for fossil fuels, decreased asset values, potential write-downs of reserves, and the need to invest in alternative energy sources to align with evolving customer preferences.	Evaluate future likely fluctuations in the pricing of fossile energy. Evaluate long-term hedging for downside protection of value. Establish a balanced portfolio of oil and natural gas, whereas natural gas is recognised as a transition energy. Evaluate the possibility for net-zero operations. Evaluate changes to asset portfolio.	L
		Increased cost of raw materials	Increased production and/or development costs.	Lowered returns and value.	Establish long-term frame agreements with suppliers, possibly with a fixed price. Evaluate to hedge commodity prices.	M/L
	Reputational	Stigmatisation of industry	Reputational damage, public scrutiny, and increased pressure on companies to demonstrate environmental responsibility.	Reduced market value, difficulties in attracting investors, higher borrowing costs, and potential loss of social license to operate due to reputational risks associated with high energy usage and emissions.	Establish targets for improvement on GHG-emissions. Be transparent about a clear strategy and plan on how to lower emissions in the long term	M/L
		Rising stakeholder unease or unfavorable stakeholder reactions	Increased scrutiny, protests, and activism against E&P companies, leading to reputational damage, regulatory challenges, and operational disruptions.	Decreased investor confidence, heightened regulatory scrutiny, unwillingness for banks to provide services and/or debt, increased insurance premiums, and project delays or cancellations impacting financial performance and shareholder value.		M/L

Social information

This chapter focuses on PetroNor's own workforce and workers within the value chain. These key specific topics were identified as social material in 2024 and are aligned with the ESRS topics.

Own workforce

The employees are key drivers to the company's success. An emphasis is put upon building a safe and secure culture of equal treatment and opportunities.

MATERIALITY MANAGEMENT

Employee engagement and processes for collaboration (ESRS SBM 2, S1-2)

PetroNor values its employees' opinions, and the company fosters this dialogue through direct interactions with its employees on a daily basis. Stimulating a culture of transparency, the company puts a constant focus on encouraging dialogue and discussions between employees to make sure everyone feels comfortable voicing their opinions.

Employees and consultants with PetroNor work at several locations and not all have a firm office address for their work. This allows employees to work independently and to a large extent plan their workdays as best fitted for each employee and consultant. To mitigate the disadvantages of such a working situation, the management encourages and organises frequent virtual meetings as well as physical social events.

Engaging with the employees and their representatives stands at the core of PetroNor's dedication to transparency and inclusivity. Our way of working fosters an open dialogue, inviting employees to actively engage in decision-making processes that affect them. Through collective endeavours, the company aims to establish an environment where every voice is acknowledged.

Integrating social matters into the strategy and business model (ESRS2 SBM-3)

PetroNor is working towards formally incorporating social matters into its strategy and business model by fostering an ongoing dialogue about social sustainability within the organisation. Insights from the 2024 double materiality assessment have enhanced awareness of key social issues, which are now informally considered in decision-making processes. By engaging with stakeholders and prioritising these matters in operational discussions the company ensures that material social impacts, risks and opportunities are influencing its long-term planning and value creation.

Policies related to own workforce (ESRS S1-1)

PetroNor's Code of Conduct, and its supplemental theme specific codes, underscore the commitment to maintaining a working environment with equal opportunities, irrespective of various factors. It emphasises the company's diversity instructions and integration of equality concepts into human resources policies, and the zero-tolerance approach to harassment. PetroNor values each team member, fostering an atmosphere of positive energy, equality, and professionalism. The Code of Conduct is provided in both English and French and is readily accessible online. It places responsibility on line managers to ensure fair and equitable treatment, preventing discrimination in selection, evaluation, and promotion processes.

PetroNor has a comprehensive Health, Safety, and Environmental (HSE) policy in order to communicate the company's expectations and guidelines on the matter.

>> Sustainability integrated into our policies and processes on page 63

Processes to remediate negative impacts and channels for employees to raise concerns (ESRS S1-3)

Mitigating negative impacts and establishing ways for employees to voice their concerns are fundamental aspects of PetroNor's corporate social responsibility. The company encourages employees to share their perspectives or raise issues or report any wrongdoing. The independent disclosure service, IntegrityLog, is available for safe reporting.

>> Whistleblower mechanisms on page 74

PRIORITIES AND PERFORMANCE 2024

Internal reporting about inconsistencies to the policies (ESRS S1-4)

PetroNor wants employees and others to report inconsistencies of its policies through internal dialogue and recurrent meetings, in addition to the formal whistleblowing channel. By creating an environment where transparency and integrity are paramount, the company encourages all employees and others to report on inconsistencies.

Characteristics of employees in PetroNor

(ESRS S1-7)

Our employees form the backbone of our organisation, and recognising their diverse skills and attributes is crucial. We value the unique qualities that everyone brings to the team, creating a dynamic and inclusive workforce.

	Gender	Africa	Australia	Europe	**Total**
Permanent	F	2	0	3	**5**
Permanent	M	5	0	5	**10**
Total		7	0	8	**15**
Position contractor	F	0	1	2	**3**
Position contractor	M	0	1	2	**3**
Total		0	2	4	**6**

Gender	Age group	Africa	Australia	Europe	**Total**
Female	Under 30	0	0	0	**0**
	30-50	2	0	2	**4**
	Over 50	0	0	1	**1**
Total		2	0	3	**5**
Male	Under 30	0	0	0	**0**
	30-50	3	0	2	**5**
	Over 50	2	0	3	**5**
Total		5	0	5	**10**
Grand total		7	0	8	**15**

(numbers are based on average months served)

As a small company PetroNor does not track turnover.

Collective bargaining and social dialogue (ESRS S1-8)

Recognising the value of collaboration between management and employee representatives, the company places a priority on establishing a platform for employees to actively contribute to decision-making processes related to workers' compensation and well-being. PetroNor fully endorses the right of workers to freedom of association and collective bargaining, as outlined in the International Labour Organisation's Core Convention.

Diversity metrics (ESRS S1-9)

PetroNor aims to prioritise local employment at operational sites whenever feasible. The organisation assesses gender representation across various hierarchical levels, fostering a commitment to maintaining an inclusive and professional working environment.

Proportion of local employees in West Africa:

	2024
Staff	47%
Board	Nil

Proportion of women

	2024
Staff	34%
Executive management team	Nil
Board	59%

Adequate salaries (ESRS S1-10)

PetroNor is committed to ensuring fair and adequate salaries for all its employees, reflecting a fundamental principle outlined in the company's Code of Conduct. The company upholds the International Labour Organisation's standards and national laws to guarantee that employees receive salaries meeting or exceeding minimum legal requirements.

Health and safety metrics (ESRS S1-14)

The company prioritises responsible management practices to ensure the well-being of all individuals. To measure and enhance its health and safety performance, PetroNor has established key principles guided by the HSE Policy:

- Risk-informed decision-making: PetroNor emphasises a fact-based approach to HSE risk management, utilising available information systematically to make informed decisions.
- Compliance and best practices: The company ensures compliance with applicable laws and regulations, setting a standard that goes beyond minimum requirements by providing guidance

on HSE issues and implementing best practices where governing laws may be absent.
- Personnel awareness and evaluation: PetroNor expects all personnel, including employees and contractors, to actively manage HSE risks within their areas of responsibility. HSE performance objectives are considered in evaluations, rewards, and recognition processes.
- Incident reporting and prevention: PetroNor encourages a culture of reporting unsafe practices and instances, promptly stopping unsafe work. The company follows up on feedback from employees, contributing to the identification of preventive measures and ensuring continuous improvement.
- Collaboration and audits: PetroNor fosters collaboration across functions and stakeholders to achieve efficient HSE performance. Regular audits of the HSE management system are conducted to ensure ongoing effectiveness and compliance.

These actions support a culture of safety across all levels of the organisation.

The Group's operations have been conducted by the operators on behalf of the licence partners and the operator of PNGF Sud is reporting regularly on all key HSE indicators. No restricted work cases (RWC) nor medical treatment cases (MTC) were reported in 2024.

There have been no lost time incidents or recordable incidents on PNGF Sud during 2024 despite high offshore activities. The Lost Time Incident Frequency and Total Recordable Incident Frequencies are both at zero. One medical treatment was recorded in January 2024. The last lost time incident was in 2021. Several HSE initiatives were implemented.

Operations in Nigeria related to field development has been limited to reprocessing seismic data, undertaking an Environmental and Social Impact Assessment, and securing land area near the West Africa Gas Pipeline compressor station for the planned LPG and gas plant. There have been no recordable incidents recorded in conjunction with the OML 113 operations.

Work-life balance metrics (ESRS S1-15)

PetroNor aims to facilitate work-life balance for its employees. All employees have the opportunity for flexibility in their workday to the extent possible given the nature of the work. For employees who require adjustments in certain situations to perform their jobs, PetroNor as an employer aims to contribute to this.

While there are no restrictions on remote working, PetroNor, as a widely dispersed organisation spanning multiple geographical locations, actively promotes the regular conduct of both scheduled and impromptu virtual meetings. This proactive approach ensures that all employees remain well-informed and seamlessly integrated into the company's operational dynamics. The company encourage employees to embrace autonomy and take ownership of their tasks, entrusting them with the necessary responsibilities to work independently.

The company recognises the importance of supporting our employees in achieving harmony between their professional and personal lives, contributing to their overall satisfaction and productivity. All PetroNor employees can and are encouraged to take parental leave.

Incidents, complaints, and severe human rights impacts (ESRS S1-17)

The company has a zero-tolerance approach to slavery and child labour in any part of the organisation and supply chains. PetroNor's customers, contractors, subcontractors and suppliers shall not engage in or use child labour. Applicable national laws shall be complied with, and only workers who meet the minimum legal age requirement shall be employed.

In 2024, there were no cases identified in the company nor in its supply chains that were in violation with human rights.

Workers in the value chain

As part of PetroNor's gradual transition to CSRD reporting, the focus extends beyond internal operations to include workers in the value chain. This section is about PetroNor's approach to engaging and implementing measures to manage material matters for workers in the value chain.

MATERIALITY MANAGEMENT

Policies related to value chain workers (ESRS S2-1)

PetroNor has published on its website, both in English and in French, the company's comprehensive policy for workers in the value chain, covered in the Know Your Supplier policy. This policy outlines the company's unwavering commitment to upholding the rights, welfare and dignity of all workers involved. The policy is in line with international standards, local regulations and the company's core values, and promotes a work environment that prioritises fairness, inclusion and ethical treatment of all employees throughout the value chain.

Processes for engaging with workers in the value chain (ESRS S2-2)

PetroNor is steadfast in upholding the principles outlined by international bodies such as the

United Nations (UN) and the International Labour Organisation (ILO) concerning working conditions and associated rights. With a particular emphasis on the unique challenges posed by offshore oil and gas rigs, PetroNor ensures that its workforce experiences optimal conditions and is granted the fundamental rights enshrined in these global standards. From fair compensation to health and safety measures, PetroNor is committed to providing a work environment that aligns with international norms, acknowledging the specialised nature of offshore operations.

The company requires all potential suppliers to be screened according to the company's Know Your Supplier policy.

>> Read more about our due diligence in PetroNor's Transparency Act Statement on page 76

Processes for remediating negative impacts with workers in the value chain (ESRS S2-3)

In the unfortunate event of negative impacts on workers within the value chain, PetroNor has established effective processes for remediation through the whistleblowing channel in IntegrityLog, being readily available on the company website. This involves prompt investigation, thorough documentation, and collaboration with relevant stakeholders to address and rectify any adverse impacts on workers, ensuring a swift and fair resolution.

PRIORITIES AND PERFORMANCE 2024

Identifying risks and defining actions through the Transparency Act (ESRS S2-4)

PetroNor is committed to the protection of internationally recognised human rights and fair and ethical work practices, including the Norwegian Transparency Act.

PetroNor reaffirmed in 2024 its commitment to respecting human rights and ensuring decent working conditions by revisiting and strengthening its due diligence processes. A dedicated working group updated the company's risk matrix related to sustainability, incorporating insights from evolving megatrends and assessing the effectiveness of implemented risk mitigation measures. These efforts build on the comprehensive due diligence conducted in 2023, aligned with the OECD Guidelines for Multinational Enterprises, to address potential risks and uphold PetroNor's responsibility toward ethical business practices. PetroNor consistently adopts a risk-based approach when evaluating new investment opportunities and making acquisitions of material goods or services. Supplier prequalification aligns with the Know Your Supplier policy and primarily involves scrutiny through Refinitiv's World Check One platform. Any PetroNor representative is obligated to promptly report any concerns or suspicions.

There are certain risks associated with limited influence in operations where PetroNor functions as a non-operating partner. In The Republic of Congo, the company serves as a non-operating partner for the licences, and the licence operator holds control over the value chain when procuring goods and raw materials on behalf of the partnership. It becomes the operator's responsibility to proactively prevent and address any adverse impacts.

To address this, PetroNor has increased its communicative efforts vis-à-vis partners and suppliers by providing all the company's policies in both French and English, readily available on a dedicated page on the company website. This ensures clear expectation-setting on behalf of PetroNor's engagement with suppliers.

THE WAY FORWARD

PetroNor is continuously advancing social sustainability by focusing on its material topics - both the workers across its value chain and its own workforce. The company will continue to enhance its practices to ensure fair labour conditions, promote safety, and support the well-being of employees and contractors. Fostering an inclusive and respectful work environment continues to be a priority. The company will continue to work with value chain partners to uphold high social standards throughout its operations.

Governance information

PetroNor is exposed to different cultures and labour conditions, which can pose potential risks. The company is committed to responsible business conduct across its operations and throughout the value chain. This commitment involves fostering accountability through our policies and practices, having zero tolerance to fraud and corruption, upholding a culture of respect, honesty and fairness, and actively contributing to transparency.

MATERIALITY MANAGEMENT

The role of the administrative, management, and supervisory bodies (ESRS 2 GOV-1)

The board of directors has a supervisory role in all ESG matters, including responsible business conduct and prevention and detection of corruption and bribery. The management is responsible for the day-to-day corporate management and performance.

Business conduct policies and corporate culture (ESRS G1-1)

PetroNor emphasises high moral and legal standards in its operations, through the Code of Conduct, Anti-Bribery & Corruption, Anti-Money Laundering and Sanction policies.

All employees in PetroNor have signed the Code of Conduct which was introduced in relation to the listing of the company on Euronext. All new employees are also obliged to sign the company's Code of Conduct.

>> Embedding sustainability in policies and processes (ESRS 2 MDR-P) on page 63

Whistleblowing (ESRS G1-1)

PetroNor promotes openness and transparency through its whistleblowing mechanism. The secure online whistleblowing software, IntegrityLog, provides a safe and anonymous platform for reporting of potential ethical violations and misconduct. The whistleblowing channel can be found on PetroNor's website under the governance page.

In the event of a reported case, the independent disclosure service of IntegrityLog promptly contacts the relevant individual within the company to initiate the necessary procedures. Additionally, if a disclosure is directly made to a management representative or a board member, the recipient is obligated to diligently follow the agreed-upon procedures for addressing the disclosure.

All current and former PetroNor representatives, in addition to external parties, who have concerns about any aspect of the company's business are encouraged to raise them and to disclose any information which relates to improper, unethical, or illegal conduct with regards to the activities of the company. Whistleblowers shall not suffer any detrimental treatment, neither from the company nor colleagues, as a result of raising a genuine concern.

Every PetroNor representative has a right and an obligation to raise their concerns about our business including matters such as, but not limited to:

- Conditions that may pose a risk to life or health
- Potential breaches of law
- Discrimination or harassment at the workplace
- Breach of ethical norms and internal guidelines

No whistleblowing reports were received in 2024.

PRIORITIES AND PERFORMANCE 2024

100 per cent of PetroNor's employees have signed the Code of Conduct

Strengthening transparency to reduce corruption risks (ESRS G1-3)

PetroNor has officially been registered as a supporting entity with the Extractive Industries Transparency Initiative (EITI) since 2020. PetroNor supports the EITI in its objective to make the EITI Principles and the EITI requirements the internationally accepted standard for transparency in the oil, gas and mining sectors, recognising that strengthened transparency of natural resource revenues can reduce corruption, and the revenue from extractive industries can transform economies, reduce poverty, and raise the living standards of entire populations in resource-rich countries.

Through a public declaration of support, PetroNor contributes to the establishment of the EITI Principles and Standards as the global transparency benchmarks for the oil, gas, and mining sectors. The company diligently discloses project-level taxes and payments in non-EITI implementing countries, transparently addressing any encountered barriers. Furthermore, PetroNor meets the requirement of financial transparency in the publication of the

company's audited financial statements or key items, aligning with the EITI Standard. With regards to anti-corruption measures, the company engages in rigorous due diligence processes, complemented by the publication of PetroNor's Anti-Bribery & Corruption policy. Additionally, PetroNor supports gender diversity, publishing gender-disaggregated employment reporting under the EITI Standard.

Among the countries where PetroNor has oil and gas operations, the Republic of Congo and Nigeria, have pledged adherence to the EITI standards. Additionally, Norway and the UK stand as signatories to this global initiative.

The countries are evaluated on their progress in meeting EITI Standard requirements through an assessment process. Nigeria and the Republic of Congo are reporting a score of "Moderate".

Country	Current status	Last validation
Republic of Congo	Moderate	2023
Nigeria	Moderate	2023

Prevention and detection of corruption and bribery (ESRS G1-3)

PetroNor has a zero-tolerance to bribery and corruption. The company complies with all applicable anti-corruption laws and regulations. PetroNor representatives must not accept, make, seek, or offer bribes or monetary advantages of any kind. The company has established a gift and hospitality register to ensure compliance with the Anti-Bribery & Corruption policy.

Incidents of corruption and bribery (ESRS G1-4)

During 2024, no cases of corruption or bribery have been identified in the group, its supply chains, or its business relations.

THE WAY FORWARD

PetroNor will in the year ahead, be positioned to intensify its commitment to transparency, governance, and ethical practices. Our focus will be on ensuring the effectiveness of IntegrityLog as our whistleblowing mechanism, and regularly enhancing our procedures to address potential ethical violations.

Building on the zero-tolerance approach to bribery and corruption, PetroNor will continue to enhance its risk management and due diligence processes in 2025. This entails the exploration of incorporating safeguards of human and labour rights into contracts, in addition to continuing to inform and emphasise the company's ethical standards when engaging with stakeholders in the value chain.

Transparency Act Statement

The Transparency Act requires companies to respect fundamental human rights and decent working conditions in connection with the production of goods and the provision of services to ensure that the public have access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

The act imposes three main obligations on companies:

- a duty to carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (hereafter OECD guidelines),
- a duty to account for due diligence and
- a duty to answer information requests

PetroNor E&P ASA ("PetroNor", the "Company") is committed to the protection of internationally recognised human rights and to fair and ethical labour practices. The company complies with all applicable laws and regulations, including the Norwegian Transparency Act ("the Transparency Act").

This statement is prepared in accordance with the Transparency Act and summarises PetroNor's governance, policies, and procedures regarding the protection of human rights and decent working conditions. It also outlines the risks identified through due diligence assessments and measures to mitigate these risks.

ABOUT PETRONOR

PetroNor is an Africa-focused independent oil and gas exploration and production company listed on Oslo Stock Exchange. PetroNor holds exploration and production assets offshore West Africa, specifically the PNGF Sud licences in Congo Brazzaville, the A4 licence in The Gambia and OML 113 in Nigeria. The company's headquarters is located in Norway, with country offices in the Republic of Congo, The Gambia, United Kingdom and Cyprus. During 2024, the company counted 20 permanent fulltime employees and 8 contractors that had served in the company.

PetroNor's area of focus is on Africa and, more specifically, proven and producing assets in the region with development and IOR potential. PetroNor is present in the region with 2P reserves at year end 2024 of 16.0 MMbbls and an average net production for 2024 of 4,814 bopd.

Commitment to human rights and decent working conditions

PetroNor is dedicated to upholding high moral and legal standards throughout its operations.

The company emphasises the obligation of its management, employees, agents, and associates to adhere to the utmost ethical business practices in their interactions with customers, suppliers, shareholders, colleagues, and the broader public.

To fulfil this commitment, PetroNor pledges to conduct all business activities in alignment with the Code of Conduct and the following principles:

- Business transactions will be conducted fairly and courteously, with due consideration given to local customs and practices where applicable.
- The company will execute its business in accordance with its policies regarding health, safety, and environmental protection.
- PetroNor will strive to ensure that its activities exert a positive impact on consumers, employees, communities, stakeholders, and all other members of the public.

GOVERNANCE OF HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Responsibilities

The board of directors oversees ESG matters, including human rights, working conditions, and Transparency Act compliance. The executive management oversees overall risk management, ESG issues, and ensuring compliance with laws and regulations.

Policies and governing documents

PetroNor has developed policies to prevent violations of human rights, indecent working conditions, damage to the environment, and involvement with corruption. The policies also cover data protection and whistleblower mechanisms.

All the relevant policies are described in the Code of Conduct ("CoC"), the Health, Safety and Environmental Policy ("HSE-policy"), the Anti Bribery and Corruption policy ("ABC-policy"), the Anti Money Laundering Policy, and the Know Your Supplier policy ("KYS-policy").

As PetroNor also operates in countries with French as the official language, all these policies have been translated into French, in addition to the English versions, and are readily available on the company website in both languages. The policies are approved by the board of directors and apply to all PetroNor representatives. All employees at PetroNor have signed the company's CoC. The company also requires that all business partners, joint venture associates, and suppliers adhere to the principles outlined in the policies.

The CoC is not formally incorporated into the procurement process. For larger contracts, suppliers are required to either present their own CoC and ABC-policy demonstrating equivalent standards to that of the company, or they will be obliged to sign the PetroNor CoC. The complete integration of CoC into agreements for small contracts is still pending.

Whistleblowing

PetroNor promotes transparency and openness through its whistleblowing channel. The secure online whistleblowing software, IntegrityLog provided by Euronext, facilitates safe and anonymous reporting of potential ethical violations and wrongdoing. The whistleblowing channel is publicly available on PetroNor's website under the governance page.

In case of a reported incident, IntegrityLog's independent disclosure service promptly contacts the relevant individual within the company to initiate necessary procedures. Moreover, if a disclosure is directly made to a management representative or board member, the recipient is obliged to diligently follow the agreed-upon procedures for addressing the disclosure.

The company actively encourages all representatives to raise concerns about any aspect of its business. Notably, no whistleblowing reports were received in 2024.

DUE DILLIGENCE WITH RESPECT TO HUMAN RIGHTS AND DECENT WORKING CONDITIONS

PetroNor conducted a supervised workshop in January 2025 with the stated aim being to re-evaluate and update the company's risk assessment in accordance with the obligations under the Transparency Act. The assessment was based on the ISO Standard 31000, in addition to the due diligence framework in the OECD guidelines. The evaluations were enhanced by incorporating perspectives from recognised global risk assessments and insights from employees.

During the assessment, PetroNor focused mainly on examining the risks associated with its operators and opted to assess these risks from a broader strategic perspective. The evaluation of the value chain centred around five categories and their associated activities: exploration, appraisal, development, production, and abandonment. Notably, no occurring adverse incidents were discovered during the due diligence assessment.

In the previous risk assessment conducted in 2024, PetroNor identified three key risk areas, primarily within the exploration and development phases. In the latest assessment, two of these risks remain unchanged from last year, maintaining the same risk levels (detailed below). However, the risk associated with construction work, yard activities, and drilling has been removed due to delays in the Aje project and will thus not materialise until the project activities increase. Additionally, the company has opted to exclude risks related to the procurement of goods and services, such as IT solutions and legal advisory, due to their minimal impact in terms of size and scale compared to other risks.

1. Health and safety considerations for employees

Securing the health and safety of its employees remains a significant consideration for PetroNor in the countries where it operates exploration and production assets. In these locations, safety concerns are linked to the security levels within office buildings and transportation, affecting both local staff and employees commuting from Europe. PetroNor has proactively established procedures and a comprehensive safety policy for all traveling employees to mitigate potential risks. Despite these measures, the company recognises the risk of human rights violations and compromised working conditions, characterising the likelihood as present but low.

2. GDPR risks associated with physical document storage

While PetroNor considers the risk to be low overall, it acknowledges that the challenges associated with physical document storage are more pronounced in certain geographical areas, such as in the African locations. The use of physical storage, as opposed to a secure digital database, can pose risks, such as a potential reduction in oversight and increased difficulty in responding promptly to data requests as per the obligations under the GDPR.

3. Extreme weather disruptions

Extreme weather disruptions are recognised as a global threat, and PetroNor is not immune to its potential impacts. For instance, even in regions with generally benign waters, such as off the western coast of Africa, changes to the weather systems poses potential risks to health and safety for operators which could cause disruptions in the supply chain. PetroNor emphasises the need to address the associated risks ensuring the resilience of operations and supply chains in the face of unpredictable weather conditions. The company assesses the risk of extreme weather disruptions to be at a low level.

4. Social unrest and conflicts

From the workshop, PetroNor assessed potential risks associated with social unrest and conflicts, particularly in its operations in the Republic of

Congo and Nigeria. The company recognises that such unrest has the potential to lead to violations of human rights and decent working conditions for suppliers. In regions marked by social and political instability, there is a heightened risk of disruptions that may impact the safety and well-being of individuals involved in the supply chain. The company assesses that while not very likely, should the risk materialise, it would have considerable consequences, and as such considers the risk to be at a medium level.

MITIGATING MEASURES

Based on the updated risk assessment, PetroNor has not identified actual negative impacts on fundamental human rights and decent working conditions linked to its operations, the value chain and its business partners.

PetroNor takes a proactive approach to the updated risk assessment, with emphasis on preventing negative impacts on fundamental human rights and decent working conditions in its operations, the value chain, and with business partners.

In line with this commitment to the risk management process, the company has implemented a series of key initiatives:

Supplier and business partner risk assessment:

- Establish an overarching risk assessment for suppliers and business partners.
- Map risks across countries, products, and raw materials in the entire value chain.
- Emphasise in-depth evaluations based on their risk profiles.
- Explore the possibility of contracts with new suppliers to include provisions safeguarding human and labour rights.

Operational oversight:

- Maintain operational oversight through site visits to yards, vessels, and platforms.

Accountability measures:

- Continue to hold operators within the supply chain accountable.
- Request detailed information on measures taken to mitigate the risk of human rights violations and ensure decent working conditions.

Travel:

- Develop procedures and training programmes for travel scenarios.

These measures and initiatives will help PetroNor understand the risks related to human rights and decent working conditions.

Furthermore, PetroNor plans to diligently update its overall risk assessment across all operational facets. This comprehensive review aims to strengthen and refine the company's approach to risk evaluation, ultimately bolstering its ability to identify potential risks throughout the entire value chain as well as in their own operations.

DUTY TO PROVIDE INFORMATION

PetroNor has established a procedure for handling information requests under the Transparency Act through its communication channel: ir@petronorep.com, easily available on the dedicated Transparency Act page on the company's website.

No requests were made in 2024.

Oslo, Norway, 28 April 2024

Jens Pace
CEO of PetroNor

Financial statements

PetroNor E&P ASA

Consolidated statement of comprehensive income

Amounts in USD thousand	*Note*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
Revenue	*4*	**204,533**	187,329
Cost of sales	*5*	**(105,189)**	(70,669)
Gross profit		**99,344**	116,660
Exploration expense		**(43)**	(748)
Administrative expenses	*6*	**(13,981)**	(11,404)
Profit from operations		**85,320**	104,508
Finance income	*7*	**1,865**	-
Finance expense	*7*	**(3,689)**	(3,291)
Foreign exchange gain / (loss)		**170**	(272)
Profit before tax		**83,666**	100,945
Tax expense	*8*	**(39,976)**	(39,852)
Profit for the year from continuing operations		**43,690**	61,093
(Loss)/Profit from discontinued operation		**(1,534)**	17,957
Profit for the period		**42,156**	79,050
Other Comprehensive income:			
Exchange losses arising on translation of foreign operations		**(102)**	949
Items that may subsequently be reclassified to profit or loss		**(102)**	949
Total comprehensive income		**42,054**	79,999
Profit for the year attributable to:			
Owners of the parent		**33,638**	67,833
Non-controlling interest	*25*	**8,518**	11,217
Total		**42,156**	79,050
Total comprehensive income attributable to:			
Owners of the parent		**33,536**	68,782
Non-controlling interest	*25*	**8,518**	11,217
Total		**42,054**	79,999
Earnings per share attributable to members:		**USD cents**	USD cents
Basic profit per share	*9*	**24.7**	35.0
Diluted profit per share	*9*	**24.7**	35.0

Consolidated statement of financial position

Amounts in USD thousand	*Note*	**As at 31 December 2024**	As at 31 December 2023
ASSETS			
Current assets			
Inventories	*10*	**13,265**	17,839
Trade receivables	*11*	**64,010**	27,317
Other receivables	*11*	**5,405**	3,759
Cash and cash equivalents	*12*	**79,692**	46,249
Total current assets		**162,372**	95,164
Non-current assets			
Property, plant and equipment	*14*	**85,890**	92,791
Intangible assets	*15*	**8,178**	7,860
Other receivables	*11*	**44,796**	43,707
Total non-current assets		**138,864**	144,358
Total assets		**301,236**	239,522
LIABILITIES			
Current liabilities			
Trade payables	*16*	**5,525**	11,954
Other payables	*16*	**3,820**	8,097
Overlift	*16*	**35,782**	-
Loans and borrowings	*17*	**-**	5,500
Total current liabilities		**45,127**	25,551
Non-current liabilities			
Other payables	*16*	**3**	145
Provisions	*18*	**35,223**	27,072
Total non-current liabilities		**35,226**	27,217
Total liabilities		**80,353**	52,768
NET ASSETS		**220,883**	186,754
Issued capital and reserves attributable to owners of the parent			
Issued capital	*20*	**72,115**	72,115
Reserves	*21*	**694**	796
Retained earnings	*21*	**123,381**	93,480
Total		**196,190**	166,391
Non-controlling interests	*25*	**24,693**	20,363
Total equity		**220,883**	186,754

Consolidated statement of changes in equity

Amounts in USD thousand	*Note*	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Non-controlling interest	**Total**
For the year ended 31 December 2024							
Balance at 1 January 2024		159	71,956	796	93,480	20,363	**186,754**
Profit for the year		-	-	-	33,638	8,518	**42,156**
Other comprehensive income:	*21*	-	-	(102)	-	-	**(102)**
Total comprehensive income for the year		-	-	(102)	33,638	8,518	**42,054**
Dividends to Non-controlling interest		-	-	-	-	(7,925)	**(7,925)**
Transfer NCI balance to retained earnings[1]					(3,737)	3,737	**-**
Balance at 31 December 2024		159	71,956	694	123,381	24,693	**220,883**
For the year ended 31 December 2023							
Balance at 1 January 2023		159	71,956	(153)	25,647	12,316	**109,925**
Profit/(loss) for the year		-	-	-	67,833	11,217	**79,050**
Other comprehensive income	*21*	-	-	949	-	-	**949**
Total comprehensive loss for the year		-	-	949	67,833	11,217	**79,999**
Dividends to Non-controlling interest		-	-	-	-	(3,170)	**(3,170)**
Balance at 31 December 2023		159	71,956	796	93,480	20,363	**186,754**

[1] *Interests relating to the non-controlling interest of subsidiary company African Petroleum Senegal Limited have been unwound as the legal entity holding those interests has been dissolved.*

Consolidated statement of cash flows

Amounts in USD thousand	*Note*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
Cash flows from operating activities			
Profit before tax		**83,666**	100,945
Adjustments for:			
Depreciation and amortisation		**20,422**	17,277
Unwinding of discount on decommissioning provision		**3,306**	2,440
Net foreign exchange differences		**(102)**	949
Finance income		**(1,865)**	-
Finance expense		**383**	720
Reassessment of decommissioning provision		**2,197**	-
Total		**108,007**	122,331
Increase in trade and other receivables		**(34,806)**	(30,285)
Increase in advance against decommissioning cost	*11*	**(465)**	(618)
Increase in decomissioning provision	*18*	**(1,509)**	(328)
Decrease in inventories	*10*	**4,574**	247
Decrease in trade and other payables		**(10,848)**	(2,069)
Increase in overlift		**35,782**	-
Cash (used in)/generated from operations		**100,735**	89,278
Income taxes paid	*8*	**(39,976)**	(39,852)
Net cash flows from operating activities		**60,759**	49,426
Investing activities			
Proceeds / (outflows) of discontinued operations		**(1,534)**	21,273
Purchases of property, plant and equipment	*14*	**(13,061)**	(38,253)
Purchases of intangible assets	*15*	**(778)**	(1,513)
Net cash flows from investing activities		**(15,373)**	(18,493)
Financing activities			
Repayment of loans and borrowings	*17*	**(5,500)**	(5,500)
Interest on loans and borrowings	*17*	**(383)**	(830)
Interest income		**1,865**	-
Dividends paid to non-controlling interest		**(7,925)**	(3,170)
Net cash flows from financing activities		**(11,943)**	(9,500)
Net increase in cash and cash equivalents		**33,443**	21,433
Cash and cash equivalents at beginning of year		**46,249**	24,816
Cash and cash equivalents at end of year	*12*	**79,692**	46,249

Notes to the consolidated financial statements

Note 01 Corporate information

The financial report of the Company and its subsidiaries (together the "Group") for the year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on 28 April 2025.

PetroNor E&P ASA is a 'for profit entity' and is a company limited by shares incorporated in Norway. Its shares are publicly traded on the Oslo Børs (ticker code: PNOR), the main regulated marketplace of the Oslo Stock Exchange, Norway. The principal activities of the Group are the exploration and production of crude oil.

Note 02 Basis of preparation

PetroNor E&P ASA's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and are mandatory for financial years beginning on or after 1 January 2024, and Norwegian disclosure requirements listed in the Norwegian Accounting Act as of 31 December 2024. The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

The financial report is presented in United States Dollars, which is the functional currency for all the material subsidiaries, and all values are rounded to the thousand dollars unless otherwise stated.

GOING CONCERN

The Board of Directors confirms that the annual financial statements have been prepared pursuant to the going concern assumption, and that this assumption was realistic as at the balance sheet date. The going concern assumption is based upon the financial position of the Group 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. PetroNor E&P ASA is the parent company of the PetroNor Group. The financial statements have been prepared on the assumption that the PetroNor Group will continue as a going concern. The Group recognises that in order to fund on-going operations and pursue organic and inorganic growth opportunities it will require additional funding. This funding may be sourced through joint venture equity or share issues or through debt finance.

As discussed in the Board of Directors' Report, the Group has continued to operate effectively with a strong balance sheet and cashflow position, this has enabled the directors of PetroNor (the "Directors") to form the opinion that the Group will be in a position to continue to meet its liabilities and obligations for a period of at least twelve months from the date of signing this report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

The following financial review is based on the financial statements of PetroNor E&P ASA and its subsidiaries. The statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU as well as Norwegian accounting legislation.

In the view of the Board, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of financial position and consolidated statement of cash flows provide satisfactory information about the operations, financial results and position of the Group and the Parent company at 31 December 2024.

Note 03 Significant accounting judgements, estimates and assumptions

As part of recognising assets and liabilities certain estimates have been prepared based on historical knowledge and best-available current information. The management apply their professional judgment when assessing the assumptions to be used in the calculation of the estimates. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future period.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

HYDROCARBON RESERVE AND RESOURCE ESTIMATES

Hydrocarbon reserves are estimates of the amount of hydrocarbons that can be economically and legally extracted from the Group's oil and gas properties. The Group estimates its commercial reserves and resources 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 current long-term Brent oil price assumption used in the estimation of commercial reserves is USD 70/bbl. The carrying amount of oil and gas properties and licences at 31 December 2024 are shown in Note 14 and 15.

The Group estimates and reports hydrocarbon reserves in line with the principles contained in the Society of Petroleum Engineers (SPE) Petroleum Resources Management Reporting System (PRMS) framework. 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 oil and gas properties may be affected due to changes in estimated future cash flows, Note 15;
- Depreciation and amortisation charges in the statement of profit or loss and other comprehensive income may change where such charges are determined using the Unit Of Production (UOP) method, or where the useful life of the related assets change, Note 15;
- Provisions for decommissioning are subject to re-estimation — where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities, Note 18.

DECOMMISSIONING PROVISION

Decommissioning 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 decommissioning 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 decommissioning costs. As a result, there could be significant adjustments to the provisions established which would affect future financial results. Climate considerations and the energy transition may impact production profiles and the economic lifespan of a field. Legislation may make decommissioning obligations more onerous and or cost/commodity pricing may lead to an earlier than anticipated asset abandonment. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required. Additional information is provided in Note 18.

IMPAIRMENT OF OIL AND GAS ASSETS

Management must determine whether there are circumstances indicating a possible impairment of the Group's oil and gas assets. Changes in the circumstances or expectations of future performance of an individual asset or a group of assets may be an indicator that the asset is impaired, requiring the carrying amount to be written down to its recoverable amount. The carrying value of an entity's assets or CGU's may be overstated if the impairment calculation does not take into account the impact of climate related matters. The evaluation for impairment indicators involves assessing future cash flows, projected oil and gas prices, cost structures, and potential factors that may render the asset uneconomic to develop. This includes geological assessments and the remaining term of the relevant licenses. Climate factors are incorporated into the impairment review indirectly in the assessment of the underlying macroeconomic assumptions including the anticipated impacts of climate change influencing estimated commodity prices.

Note 04 Revenue

Amounts in USD thousand	**2024**	2023
Revenue from contracts from customers		
Revenue from sales of petroleum products[1]	**139,945**	120,893
Other Revenue		
Assignment of tax oil	**39,976**	39,852
Assignment of royalties	**24,442**	26,584
Marketing fees	**170**	-
Total Revenue	**204,533**	187,329
Quantity of oil lifted (barrels)	**1,795,459**	1,543,910
Average selling price (USD per barrel)	**77.94**	78.30
Quantity of net oil produced after royalty, cost oil and tax oil (barrels)	**1,202,459**	1,396,118

[1] *All revenue from the sales of petroleum products in 2024 is generated, recognised and transferred at a point in time. Invoices are due for settlement thirty days from the Bill of Lading, the point at which crude oil had been loaded onto vessel for shipment. All Group revenue is derived from production in the Republic of the Congo from the PNGF Sud offshore asset. The Group presents profit oil tax and royalties on a grossed-up basis as an income tax expense with corresponding increase in oil and gas revenues and any associated royalties are included in cost of sales. Refer to note 28(h) for additional information.*

Note 05 Cost of sales

Amounts in USD thousand	**2024**	2023
Operating expenses	**19,957**	20,795
Movement in oil overlift position	**35,467**	-
Royalty	**24,442**	26,584
Depreciation and amortisation of oil and gas properties	**20,615**	17,119
Provision for Diversified Investment	**1,627**	1,772
Movement in oil inventory	**3,081**	4,399
Total	**105,189**	70,669

Note 06 Administrative expenses

Amounts in USD thousand	*Note*	**2024**	2023
Employee benefit expenses	*6a*	**5,271**	5,415
Travelling expenses		**475**	594
Legal and professional expenses		**5,757**	4,067
Corporate social responsibility		**103**	294
Restructuring expenses		**726**	-
Other expenses		**1,649**	1,034
Total		**13,981**	11,404

6A. EMPLOYEE BENEFIT EXPENSES

Amounts in USD thousand	**2024**	2023
Salaries	**3,891**	4,334
Short-term non-monetary benefits	**286**	641
Employee bonuses	**744**	104
Defined contribution pension cost	**119**	65
Social-security contributions and similar taxes	**231**	271
Total	**5,271**	5,415

In accordance with Norwegian law PetroNor is required to have an occupational pension scheme (“Lov om obligatorisk tjenestepensjon”). The Norwegian subsidiary that employs staff PetroNor E&P Services AS contributes to an external defined contribution scheme and therefore no pension liability is recognised in the statement of financial position.

Under the Pensions Act 2008 every employer in the UK must put certain staff into a workplace pension scheme and contribute towards it,

PetroNor E&P Services Limited the subsidiary that employs staff in the UK, contributes into an external defined contribution scheme. As such, no pension liability is recognised in the statement of financial position in relation to the company’s UK based employees.

There are currently no share-based payment incentive schemes in place for employees. The cost of non-cash benefits to employees is disclosed as short-term non-monetary benefits above. Detailed disclosures on employee profiles is included within the social information section of the Sustainability Report.

The average full-time equivalent (FTE) employees for 2024 was 15 (2023: 22).

6B. AUDITORS' REMUNERATION

Amounts in USD thousand	**2024**	2023
Paid or payable to BDO		
Audit review of financial reports		
BDO AS	**256**	358
BDO Network firms	**46**	59
Total	**302**	417
Other non-assurance services		
BDO related practices	**77**	12
Total	**77**	12
Paid or payable to other audit firms		
Audit or review of financial reports	**62**	67
Other non-assurance services	**35**	121
Total	**97**	188

Fees, excluding VAT, to the auditors are included in administration expenses.

Note 07 Finance expense

Amounts in USD thousand	**2024**	2023
Interest income	**1,865**	-
Total	**1,865**	-

Finance Expense

Amounts in USD thousand	*Note*	**2024**	2023
Unwinding of discount on decommissioning liability	*18*	**3,306**	2,440
Other finance costs		**30**	38
Interest on loans	*17*	**353**	813
Total		**3,689**	3,291

Note 08 Tax expense

Tax expense excluding tax on sale of discontinued operation

Amounts in USD thousand	**2024**	2023
Petroleum revenue tax expense		
Current income tax charge	**39,976**	39,852
Total tax expense reported in the consolidated statement of comprehensive income	**39,976**	39,852

The petroleum revenue tax expense relates solely to the subsidiary in Congo and represents the assignment of tax oil on the revenue from sales of petroleum products, Note 4.

During 2023, a taxable gain arose on the farm-out of the Guinea-Bissau assets. A further tax expense of USD 1.5 million was recognised in association with this transaction during 2024 which is included within profit/(loss) from discontinued operations in the statement of comprehensive income.

There was no income tax expense in the other subsidiaries' jurisdictions nor in the parent's jurisdiction as these companies are in taxable loss positions in both 2024 and 2023. Average effective tax rate for the year was 20% (2023: 21%) based on gross revenue of the Group.

Note 09 Earnings per share

There are nil options as at 31 December 2024 (31 December 2023: nil).

Amounts in USD thousand	**2024**	2023
Profit attributable to ordinary shareholders from continuing operations		
Profit attributable to the ordinary equity holders used in calculating basic / diluted profit per share	**35,172**	52,479
Profit attributable to the ordinary equity holders used in calculating basic / diluted profit per share	**35,172**	52,479

Weighted average number of ordinary shares outstanding during the period used in the calculation of profit / (loss) per share	**2024**	2023
Basic	**142,356,855**	142,356,855
Diluted	**142,356,855**	142,356,855

Earnings per share	**2024**	2023
	USD Cents	USD Cents
Basic	**24.7**	35.0
Diluted	**24.7**	35.0

Note 10 Inventories

Amounts in USD thousand	**2024**	2023
Crude oil inventory	**-**	3,078
Materials and supplies	**13,265**	14,761
Total	**13,265**	17,839

Crude oil inventory is valued at cost, PetroNor were in an overlift position at 31 December 2024 and thus crude oil inventory is nil.

The crude oil inventory and the material and supplies inventory are valued at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price, less applicable selling expenses. The cost of inventory includes all costs related to bringing the inventory to its current condition, including processing costs, labour costs, supplies, direct and allocated indirect operating overhead and depreciation expense, where applicable, including allocation of fixed and variable costs to inventory.

Note 11 Trade and other receivables

Amounts in USD thousand	**2024**	2023
Recoverability less than one year		
Trade receivables	**64,010**	27,317
Other receivables	**5,405**	3,759
Total	**69,415**	31,076
Recoverability more than one year		
Other receivables:		
Due from related parties[1]	**11,681**	11,057
Advance against decommissioning cost[2]	**30,515**	30,050
Fair value of contingent consideration[3]	**2,600**	2,600
Total	**44,796**	43,707

1 *The Group disposed of its interests in fully owned subsidiaries Aje Nigeria Holding B.V., Aje Services Holding B.V. and Aje Production Ltd. The transaction completed on 29 December 2023 with the consideration of USD 10 million expected to be paid via the allotment and issue of new shares in Aje Production AS. The disposal forms part of the YFP DW joint venture transaction where the consideration receivable will be reclassified to an investment in associate once consideration is paid. USD 1 million relates to an assignment fee to be recovered from the joint venture in due course.*

2 *In addition to the booking of the decommissioning cost asset and liability, the contractors group and the Congolese Government have agreed to set up funds for the decommissioning cost in an escrow account which is managed by the operator. The advances of the funds for the year are made on the basis of an average rate of USD 0.50 per barrel produced (2023: USD 0.28 per barrel). Refer to Note 18 for further details on the decommissioning liability.*

3 *On June 27, 2023, PetroNor E&P ASA announced the farm-out of the exploration licences in Guinea-Bissau. On this occasion, PetroNor E&P AB entered into a binding agreement to transfer 100 percent of its participation interest in the two exploration licences to Apus Energia Guiné-Bissau SA. Under the terms of the agreement, effective January 1, 2023, PetroNor received a payment of USD 21.3 million upon completion of the transaction, plus costs for 2023 incurred after January 1, 2023 and up to the point of completion of USD 1.6 million. The company will then be eligible for two additional contingent earnout payments of USD 30 million each. The first payment would be made after government approval of a Field Development Plan, and the second payment would be made after the achievement of continuous oil production. PetroNor have assessed the fair value of the contingent consideration as at 31 December 2024 to be USD 2.6 million.*

Trade receivables of USD 64.0 million reflect the occurrence of a sale on 29 December 2024, this amount was fully recovered in January 2025.

The Group has adopted the simplified approach allowable under IFRS 9 Financial Instruments where the Group measures the provision for impairment for trade receivables and amounts due from related parties at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors' general economic conditions and forward looking elements of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The group has established a provision matrix that is based on its historical credit-loss experience, adjusted for forward looking factors specific to the debtors and the economic environment. At 31 December 2024, the provision for the Group is nil.

Note 12 Cash and cash equivalents

Amounts in USD thousand	**2024**	2023
Cash in bank	**79,668**	46,217
Restricted cash	**24**	32
Total	**79,692**	46,249

Restricted cash at 31 December 2024 represents ringfenced cash payable to Norwegian authorities in relation to employment obligations.

The following table represents the changes in liabilities arising from financing activities through cash flows and non-cash changes:

Amounts in USD thousand	Non-current borrowings	Current borrowings	**Total**
As at 1 January 2024	**-**	**5,500**	**5,500**
Cash flows	**-**	**(5,500)**	**(5,500)**
Non-cash flows	**-**	**-**	**-**
As at 31 December 2024	**-**	**-**	**-**
As at 1 January 2023	5,500	5,500	11,000
Cash flows	-	(5,500)	(5,500)
Non-cash flows	(5,500)	5,500	-
As at 31 December 2023	-	5,500	5,500

Note 13 Segment information

For management purposes, the Group is organised into one main operating segment, which involves exploration and production of hydrocarbons. All of the Group's activities are interrelated, and discrete financial information is reported to Chief Operating Decision Maker as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The Group only has one operating segment, being exploration and production of hydrocarbons.

The analysis of the location of non-current assets is as follows:

Amounts in USD thousand	**2024**	2023
Congo	**118,059**	124,798
Gambia	**6,414**	5,461
Guinea-Bissau	**2,600**	2,600
Norway	**11,791**	11,324
Other	**-**	175
Total	**138,864**	144,358

Note 14 Property, plant, and equipment

PRODUCTION ASSETS AND EQUIPMENT

Amounts in USD thousand	**2024**	2023
Cost		
At 1 January	**132,034**	90,493
Additions	**13,061**	42,467
Disposals in relation to loss of control of entities	**-**	(926)
At 31 December	**145,095**	132,034
Depreciation		
At 1 January	**39,243**	22,552
Charge for the year	**19,962**	16,691
Depreciation on disposals	**-**	-
At 31 December	**59,205**	39,243
Net carrying amount		
At 31 December	**85,890**	92,791

Production assets and equipment are carried at the following values:

Amounts in USD thousand	**2024**	2023
Oil & gas CAPEX	**74,842**	84,589
Decommissioning costs	**10,910**	7,864
Other	**138**	30
Total	**85,890**	92,473

PPE assets are distributed geographically as follow:

Amounts in USD thousand	**2024**	2023
Congo	**85,780**	92,473
Other	**110**	10
Total	**85,890**	92,483

Amounts in USD thousand	**2024**	2023
Right-of-use assets	**120**	308

The carrying value of production assets are assessed against their risked economic value for indicators of impairment. Two of the key factors in the economic evaluation of hydrocarbon assets are the future oil prices and the recoverable reserves of the assets, the bench mark oil price used economic valuations was USD 70/bbl. Please reference the Reserves report and the reserves table included in note 15. There were no indicators of impairment.

Note 15 Intangible assets

LICENCES AND APPROVALS

Amounts in USD thousand	**2024**	2023
Cost		
At 1 January	**13,025**	37,831
Additions	**952**	1,129
Disposals	**(174)**	(667)
Disposals in relation to loss of control of entities	**-**	(25,268)
At 31 December	**13,803**	13,025
Accumulated amortisation and impairment		
At 1 January	**5,165**	4,579
Amortisation	**460**	586
At 31 December	**5,625**	5,165
Net carrying value		
At 1 January	**7,860**	33,252
At 31 December	**8,178**	7,860

GOODWILL

Amounts in USD thousand	**2024**	2023
Cost		
At 1 January	**-**	9,031
Additions in relation to business combinations	**-**	-
Disposals in relation to loss of control of entities	**-**	(9,031)
At 31 December	**-**	-

GOODWILL

During 2023, the technical goodwill was derecognised as part of the disposal of the entities and assets in which they originated from.

LICENCE OVERVIEW

Congo

In 2017, subsidiary company Hemla E&P Congo SA acquired interests in three development and production permits (Tchendo II: 20%; Tchibouela II: 20% and Tchibeli-Litanzi II: 20%) which will respectively end in December 2037, for each of them, with possible extensions for 5 years. All these three licences are called or named collectively "PNGF Sud" and together comprise an area of 482.28km^2. The operator of the licences is Perenco, and the carrying value as at 31 December 2024 is USD 1.8 million. This number is net of depletion, the Congo intangible assets are the only intangibles in active use and being amortised.

The Gambia

The A4 licence area is 1,376km^2 and is operated by company subsidiary PetroNor E&P Gambia Ltd. PetroNor secured a new exploration licence (PEPLA) on 18 November 2022 and entered into the first exploration period which has a duration of three years. PetroNor hold 90% equity with the Gambia National Petroleum Company as partner (10% equity). As at 31 December 2024 the carrying value of the A4 licence is USD 6.4 million.

IMPAIRMENT ASSESSMENT

Group assets are assessed for indicators of impairment on a periodic basis. Indicators of impairment would be for example a licence that is approaching the end of its term or a licence where management have indicated that there are no plans to continue with exploration and evaluation, or evaluation work which indicated that an asset would be uneconomic. The carrying value of intangible assets relating to Congo and The Gambia were assessed against their risked economic value and no assets were impaired in the period ended 31 December 2024.

RESERVES AND RESOURCES

The Group has adopted a policy of regional reserve reporting using external third-party companies to audit its work and certify reserves and resources. 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 March 2007. Three60 Energy Norway AS provided the 3rd party verifications of the PNGF Sud reserves.

The following is a summary of key results from the Annual Reserve Report (ASR) (net of the Group's share):

Asset	1P/1C reserves/ resources MMbbls	2P/2C reserves/ resources MMbbls	3P/3C reserves/ resources MMbbls
PNGF Sud reserves	11.3	16.0	20.3
PNGF Sud contingent resources	2.5	5.8	14.5

Definitions:

1P) Proved reserves

Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

2P) Proved plus Probable Reserves

Probable Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.

3P) Proved plus Probable plus Possible Reserves

Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Probable Reserves.

Note 16 Overlift, trade and other payables

Trade and other payables

Amounts in USD thousand	*Note*	**2024**	2023
Amounts due less than one year:			
Trade payables		**5,525**	12,233
Other payables and accrued liabilities		**3,283**	3,630
Due to related parties	*22d*	**8**	26
Taxes and state payables		**529**	4,162
Total		**9,345**	20,051
Amounts due more than one year			
Other payables		**3**	145
Total		**3**	145

Overlift

A new trading agreement entered during the second quarter of 2024, allowed PetroNor to lift and sell more oil than the entitlement interest it had in stock at the Djeno terminal at the time of lifting. This is known as an overlift position and will be replenished from continuing production during the first half of 2025.

Amounts in USD thousand	*Note*	**2024**	2023
Amounts due less than one year:			
Overlift		**35,782**	-
Total		**35,782**	-

Note 17 Loans and borrowings

Amounts in USD thousand	**2024**	2023
At 1 January	**5,500**	11,000
Principal repayment	**(5,500)**	(5,500)
Interest on loan accrued	**353**	813
Interest on loan paid	**(353)**	(813)
At 31 December	**-**	5,500
Ageing of loans payable		
Current	**-**	5,500
Non-current	**-**	-
Total	**-**	5,500

During 2024, subsidiary Hemla Africa Holding AS fully repaid its facility held with Acqua Diversified Holdings SPC early.

Note 18 Provisions

DECOMMISSIONING PROVISION
In accordance with joint venture 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 exact timing of the obligations is uncertain and depends on the rate the reserves of the field are depleted.

Based on the existing production profile of the PNGF Sud field and the size of the reserves, it is expected that expenditure on retirement is likely to be after more than ten years. The current bases for the provision are a discount rate of 6.25% (2023: 6.5%) and an inflation rate of 4.3% (2023: 3.0%). The initial decommissioning liability study was prepared internally by the operator Perenco. The company reassessed the applicable discount and inflation rate during 2024, the impact of the reassessment was a net liability increase of USD 6.4 million where USD 2.0 million was expensed.

The following table presents a reconciliation of the beginning and ending aggregate amounts of the obligations associated with the retirement of oil and natural gas properties:

Amounts in USD thousand	*Note*	**2024**	2023
At 1 January		**23,749**	20,912
Arising during the year		**4,804**	4,284
Derecognised due to loss of control of entities		**-**	(3,887)
Unwinding of discount on decommissioning	7	**3,306**	2,440
At 31 December		**31,859**	23,749
Other provisions		**3,364**	3,323
Total provisions		**35,223**	27,072

Note 19 Deferred tax liabilities

Changes in net deferred tax liabilities during the year were as follows:

Amounts in USD thousand	**2024**	2023
Net deferred tax liability at 1 January	**-**	(9,031)
Acquisitions and disposals	**-**	9,031
Net deferred tax liability at 31 December	**-**	-

Deferred tax assets have not been brought to account in respect of tax losses and unrecognised capital allowances because as at 31 December 2024 it is uncertain when future taxable amounts will be available to utilise those temporary differences and losses. The primary income generating unit of the Group is in a jurisdiction where taxes are an in-kind production levy. The status of asset development in other jurisdictions is such that profits are not yet being recorded management are therefore not yet able to perform an assessment that deferred tax assets can be realised. As at 31 December 2024, the carried forward gross tax loss is USD 130 million (2023: USD 127 million). Carried forward losses from previous periods do not have an expiry date.

Note 20 Share capital

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholders' meetings, each ordinary share entitles the holder to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

Reconciliation of movement in shares on issue

	Number of fully paid ordinary shares 2024	Number of fully paid ordinary shares 2023
Balance at the beginning of the year	**142,356,855**	1,423,568,543
Issue of shares	**-**	7
Reverse share split[1]	**-**	(1,281,211,695)
Balance at end of the year	**142,356,855**	142,356,855

Reconciliation of movements in issued capital

	2024	2023
Opening balance	**159**	159
Balance at end of the period	**159**	159

[1] *On 16 June 2023, PetroNor announced that the reverse share split in the ratio 10:1 had been registered with the Norwegian Register of Business Enterprises. Following such registration, the share capital of the company is NOK 1,423,568.55 divided into 142,356,855 shares, each with a nominal value of NOK 0.01.*

Share premium
Share premium reserve represents excess of subscription value of the shares over the nominal amount.

	2024	2023
Opening balance	**71,956**	71,956
Balance at end of the period	**71,956**	71,956

Note 21 Reserves

The movement in reserves are reflected in the statement of changes in equity.

Foreign currency translation reserve
The foreign currency translation reserve is used to recognise foreign currency exchange differences arising on translation of functional currency to presentation currency.

Retained earnings
All other net gains and losses and transactions with owners not recognised elsewhere.

Dividends
No dividends were declared during the year by the parent company.

A repayment of capital equivalent to 2 NOK per share was proposed based on an audited interim balance sheet from 9 December 2024. The repayment of capital was approved post year end at a shareholder EGM on 23 January 2025, and USD 25.6 million was paid out to shareholders on 31 January 2025.

Note 22 Related party transactions

22A. BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Directors listed on page 34, and the following other key personnel:

Jens Pace	Chief executive officer
Claus Frimann-Dahl	Chief technical officer
Chris Butler	Group financial controller

As at the approval date of this report the base salary and fees for the following members of key management is as follows:

Individual	Title	Group Entity	Base salary and fees /per annum	Total base salary and fees USD equivalent
J Iskander	Chair	PetroNor E&P Services AS	NOK 800,000	71,600
J Norman-Hansen	Board member	PetroNor E&P Services AS	NOK 550,000	49,225
A Georghiou	Board member	PetroNor E&P Services AS	NOK 550,000	64,825
		PetroNor E&P Limited	EUR 15,000	
J Pace	Chief Executive Officer	PetroNor E&P Services AS	GBP 410,000	517,625
C Frimann-Dahl	Chief Technical Officer	PetroNor E&P Services AS	NOK 2,625,000	234,938
C Butler	Group Financial Controller	PetroNor E&P Services Ltd	GBP 147,000	251,588
		Hemla E&P Congo SA	USD 66,000	

FX rates used: NOK 1.00 : USD 0.0895 | GBP 1.00 : USD 1.2625

2024 *Amounts in USD*	Designation	Salary and fees	Bonus	Other cash benefits	Severance Package	Post-employment benefits	**Total**
J Iskander	Chair	42,987	83,064	-	-	-	**126,051**
E Alhomouz[1]	Former Chair	172,500	140,877	-	-	-	**313,377**
I Smines Tybring-Gjedde[2]	Board member	38,973	84,526	-	-	-	**123,499**
G Kielland[2]	Board member	38,973	84,526	-	-	-	**123,499**
A Samir Fawzi	Board member	47,208	84,526	-	-	-	**131,734**
J Norman-Hansen	Board member	47,208	84,526	-	-	-	**131,734**
J Pace	Chief Executive Officer	523,580	135,623	-	-	-	**659,203**
C Frimann-Dahl	Chief Technical Officer	247,621	39,324	2,666	-	15,569	**305,180**
M Barrett[3]	Exploration Manager	209,289	-	1,886	223,964	-	**435,139**
C Butler	Group Financial Controller	252,317	41,599	6,936	-	18,824	**319,676**
E Sultan[3]	Strategy and Contracts Manager	105,000	-	-	21,000	-	**126,000**
Total		1,725,656	778,591	11,488	244,964	34,393	**2,795,092**

1 *Eyas Alhomouz did not stand for re-election as Chair at the AGM on 29 May 2024.*
2 *Ingvil Smines Tybring-Gjedde and Gro Kielland resigned as board members on 1 November 2024.*
3 *As part of the restructuring process Michael Barrett and Emad Sultan left the company on 31 August 2024 and 30 June 2024 respectively.*

Remuneration of board and key management personnel

2023 *Amounts in USD*	Designation	Salary and fees	Bonus	Other cash benefits	Post-employment benefits	**Total**
E Alhomouz[1]	Chairman	294,000	-	-	-	**294,000**
I Smines Tybring-Gjedde	Board member	38,685	-	-	-	**38,685**
G Kielland	Board member	38,685	-	-	-	**38,685**
A Samir Fawzi	Board member	32,763	-	-	-	**32,763**
J Norman-Hansen	Board member	32,763	-	-	-	**32,763**
J Pace	Interim CEO	530,111	-	-	-	**530,111**
C Frimann-Dahl[2]	Chief Technical Officer	240,053	42,123	719	13,493	**296,388**
M Barrett[2]	Exploration Manager	280,755	47,678	1,731	-	**330,164**
C Butler[2]	Group Financial Controller	243,400	31,202	2,427	17,740	**294,769**
E Sultan	Strategy and Contracts Manager	244,000	-	-	-	**244,000**
Total		1,975,215	121,003	4,877	31,233	**2,132,328**

[1] *USD 174,000 of the fees above is not paid to the individual, these fees charged on an arms-length basis are included in a monthly lump sum charged by related party Petromal LLC, above figures represent the company's fair value estimate of associated costs for the individual's services.*
[2] *Bonus received was determined at the discretion of management, contingent upon both company performance and individual contributions.*

Share holdings by Directors and other Key Management Personnel

	Balance 1 January 2024	Shares purchased	Granted as remuneration	Net change other	Balance 31 December 2024
J Norman-Hansen[1]	215,060	-	-	-	215,060
J Pace	146,553	-	-	-	146,553
M Barrett	115,167	-	-	(115,167)	-
C Frimann-Dahl	60,456	-	-	-	60,456
C Butler	23,430	-	-	-	23,430
Total	560,666	-	-	(115,167)	445,499

[1] *In addition to the share holding above, Jarle Norman-Hansen holds shares indirectly through Ambolt Invest AS totalling 8,758,329*
Other board members and key management not included in the above table held no shares during the current year.
No warrants or options were held by board members or key management personnel during the current year.

22B. SIGNIFICANT SHAREHOLDERS

Shareholder	Place of incorporation	**31 December 2024 Ownership**	31 December 2023 Ownership
Petromal LLC – Sole Proprietorship LLC	UAE	**33.82%**	33.82%
Symero Ltd	Cyprus	**9.75%**	9.75%
Ambolt Invest AS	Norway	**6.15%**	6.15%
Sjøvollen AS	Norway	**4.20%**	8.62%
Gulshagen III AS	Norway	**3.16%**	3.16%
Gulshagen IV AS	Norway	**3.16%**	3.16%

All of the shares held by Petromal LLC are recorded in the name of nominee company, Clearstream Banking S.A. on behalf of Petromal LLC. Ambolt Invest AS is a company controlled by Jarle Norman-Hansen who was appointed as a board member on 26 January 2023

22C. TRANSACTIONS AND PERIOD-END BALANCES WITH RELATED PARTIES

Transactions with related parties included in the consolidated statement of comprehensive income:

Petromal LLC has had an agreement to provide technical and project management services to the PetroNor Group since 2017.

Amounts in USD thousand	**2024**	2023
Petromal – Sole Proprietorship LLC	**214**	305
Administrative expenses	**214**	305

Balances due from and due to related parties disclosed in the consolidated statement of financial position:

Amounts in USD thousand	**2024**	2023
Balances due from related parties		
Receivable from Aje Production AS and its subsidiaries	**11,681**	11,067
Balances due to related parties		
Other payable to Petromal – Sole Proprietorship LLC	**(8)**	**(26)**
Total payables to related parties (Note 16)	**(8)**	**(26)**

Amounts due from / to related parties included in the consolidated statement of financial position are interest-free and have no fixed repayment terms.

Note 23 Risk Management

The Group's principal financial liabilities comprise accounts payable and amounts due to related parties. The main purpose of these financial instruments is to manage short-term cash flow. The Group has various financial assets such as accounts receivable and cash.

The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are credit risk, liquidity risk, interest rate risk and foreign currency risk. The management reviews and agrees policies for managing each of these risks which are summarised below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in the market variables on the Group's financial instruments and shows the impact on profit or loss and shareholders' equity, where applicable. Financial instruments affected by market risk include accounts receivable, accounts payable and accrued liabilities.

The sensitivity has been prepared for periods ending 31 December 2024 using the amounts of debt and other financial assets and liabilities held as at those reporting dates.

The tables below detail the credit quality of the company's financial assets as well as the company's maximum exposure to credit risk by credit risk rating grades.

Amounts in USD thousand	*Notes*	External credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
31 December 2024						
Trade receivables[(i)]	*11*	N/a	Lifetime ECL	64,010	-	64,010
Due from related parties	*11, 22d*	N/a	Lifetime ECL	11,681	-	11,681
Advance against decommissioning cost	*11*	N/a	Lifetime ECL	30,515	-	30,515
Cash and cash equivalents	*12*	Aa3/B	12-month ECL	79,692	-	79,692
Other receivables	*11*	N/a	Lifetime ECL	8,005	-	8,005
31 December 2023						
Trade receivables [(i)]	*11*	N/a	Lifetime ECL	27,317	-	27,317
Due from related parties	*11, 22d*	N/a	Lifetime ECL	11,057	-	11,057
Advance against decommissioning cost	*11*	N/a	Lifetime ECL	30,050	-	30,050
Cash and cash equivalents	*12*	Aa3/B	12-month ECL	46,249	-	46,249
Other receivables	*11*	N/a	Lifetime ECL	6,359	-	6,359

[(i)] *For trade receivables and amounts due from related parties, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The expected credit losses are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.*

LIQUIDITY RISK

The Group seeks to limit its liquidity risk by ensuring financial support is available from the shareholders. The Group's terms of sales requires amounts to be paid within 30 days from the bill of lading, the point at which crude oil had been loaded onto vessel for shipment . Trade payables are normally settled within 90 to 120 days of the date of receipt of invoice.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2024 based on contractual undiscounted payments.

Amounts in USD thousand	*Note*	On demand	Less than 1 month	Between 1 and 3 months	Between 3 months and 1 year	More than 1 year	**Total**
31 December 2024							
Trade accounts payable	*16*	-	5,525	-	-	-	**5,525**
Amounts due to related parties	*22d*	8	-	-	-	-	**8**
Loan payable	*17*	-	-	-	-	-	**-**
Other payable	*16*	3,283	-	-	-	3	**3,286**
Total		3,291	5,525	-	-	3	**8,819**

Amounts in USD thousand	*Note*	On demand	Less than 1 month	Between 1 and 3 months	Between 3 months and 1 year	More than 1 year	**Total**
31 December 2023							
Trade accounts payable	*16*	-	11,954	-	-	-	**11,954**
Amounts due to related parties	*22d*	26	-	-	-	-	**26**
Loan payable	*17*	-	-	1,375	4,125	-	**5,500**
Other payable	*16*	-	-	-	-	-	**-**
Total		26	11,954	1,375	4,125	-	**17,480**

The company had USD 79.7 million (2023: 46.2 million) in unrestricted cash as of 31 December 2024. Should additional funding be required in the future for additional capital expenditure for new development phases or working capital requirements, the company has various alternatives available which it can explore to fulfil such additional requirements. The options include, amongst others, debt financing, offtake prepayment structures. As a result, the financial statements have been prepared under the assumption of going concern and realisation of assets and settlement of debt in normal operations.

INTEREST RATE RISK

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities and seeks to limit this risk by obtaining favourable interest rates.

	31 December 2024		31 December 2023	
Amounts in USD thousand	**+150bp**	**-150bp**	+150bp	-150bp
Loans payable	**-**	**-**	(83)	83

CURRENCY RISK

The Group operates internationally and is exposed to risk arising from various currency exposures, primarily with respect to the Norwegian Kroner (NOK), and the Great British Pound (GBP). 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 statement of comprehensive income and statement of financial position 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.
A 20% strengthening or weakening of the USD against the following currencies at 31 December 2024 would have increased / (decreased) equity and profit or loss before tax 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.

Amounts in USD thousand	**31 December 2024**		31 December 2023	
	+20%	**-20%**	+20%	-20%
USD vs NOK				
Cash	**(6)**	**6**	(13)	13
Receivables	**(49)**	**49**	(2,918)	2,910
Payables	**103**	**(103)**	185	(184)
Total	**48**	**(48)**	(2,746)	2,739
USD vs GBP				
Cash	**(13)**	**13**	(14)	14
Receivables	**(2)**	**2**	(7)	7
Payables	**26**	**(26)**	2	(2)
Total	**11**	**(11)**	(19)	19

CAPITAL RISK

The primary objective of the Group's capital management is to continuously evaluate measures to strengthen its financial basis and to ensure that the Group is fully funded for its committed 2025 activities. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. 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 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 capital in the forthcoming years.

Note 24 Financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances and cash, amounts due from related parties and trade and some other receivables.

Financial liabilities consist of amounts due to related parties, loans payable, trade account payables and some other liabilities.

Financial Assets

Amounts in USD thousand	Fair value through profit or loss		Amortised cost	
	2024	2023	**2024**	2023
Cash and cash equivalents	**-**	-	**79,692**	46,249
Trade and other receivables[2]	**2,600**	2,600	**81,096**	42,133
Advance against decommissioning cost[1]	**-**	-	**30,515**	30,050
Total	**2,600**	2,600	**191,303**	118,432

[1] *The Group has advanced USD 30 million in cash to the operator as a contribution towards the future obligation to decommission the PNGF asset.*

[2] *The valuation of contingent consideration was reviewed and the risk profile was deemed largely unchanged therefore there was no change in the valuation booked.*

Financial Liabilities

Amounts in USD thousand	Amortised cost	
	2024	2023
Trade and other payables	**45,129**	20,054
Loans and borrowings	**-**	5,500
Total	**45,129**	25,554

The fair values of the Group's financial instruments are not materially different from their carrying amounts at the reporting date largely due to the short term maturities of these instruments.

Note 25 Subsidiaries and joint ventures

The principal subsidiaries of the PetroNor E&P ASA, all of which have been included in these consolidated financial statements, are as follows:

Name	Country of incorporation	Principal place of business	Proportion of effective ownership interest at 31 December 2024	2023
PetroNor E&P Pty Limited	Australia	Australia	**100%**	100%
PetroNor E&P Ltd	Cyprus	Cyprus	**100%**	100%
PetroNor E&P Services AS	Norway	Norway	**100%**	100%
PetroNor E&P Services Ltd	United Kingdom	United Kingdom	**100%**	100%
PetroNor E&P AB	Sweden	Guinea-Bissau	**100%**	100%
PetroNor E&P Gambia Ltd	Cayman Islands	The Gambia	**100%**	100%
Hemla Africa Holding AS	Norway	Norway	**100%**	100%
Hemla E&P Congo SA	Congo	Congo	**84.15%**	84.15%
African Petroleum Corporation Ltd	Cayman Islands	United Kingdom	**100%**	100%
African Petroleum Senegal Ltd	Cayman Islands	Senegal	**90%**	90%

HEMLA E&P CONGO SA

Material non-controlling interests

The Group holds 84.15% of the share capital of Hemla E&P Congo SA. Set out below is summarised financial information for the subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for the subsidiary are before inter-company eliminations.

Summarised statement of financial position

Amounts in USD thousand	Hemla E&P Congo SA 2024	2023
Current asset	**109,754**	61,523
Current liabilities	**42,445**	12,836
Current net assets	**67,309**	48,687
Non-current assets	**118,059**	124,798
Non-current liabilities	**35,223**	27,084
Non-current net assets	**82,836**	97,614
Net assets	**150,145**	146,301
Accumulated NCI	**24,693**	24,100

Summarised statement of comprehensive income

	Hemla E&P Congo SA	
Amounts in USD thousand	**2024**	2023
Revenue	**204,532**	187,330
Profit for the period	**53,740**	71,175
Other comprehensive income	**-**	-
Total comprehensive income for the year	**53,740**	71,175
Profit allocated to NCI	**8,518**	11,217
Dividends paid to NCI	**7,925**	3,170

Summarised cash flows

	Hemla E&P Congo SA	
Amounts in USD thousand	**2024**	2023
Cash flows from operating activities	**29,186**	36,313
Cash flows from investing activities	**(8,649)**	(8,724)
Cash flows from financing activities	**(7,925)**	(124)
Net (decrease)/increase in cash and cash equivalents	**12,612**	27,465

Investments in joint ventures:

			Proportion of effective control at 31 December	
Name	Country of incorporation	Principal place of business	**2024**	2023
Aje Production AS	Norway	Norway	**50%**	50%

Aje Production AS is a small group that holds non-operating interests in the Nigerian OML 113 licence through Nigerian subsidiaries Aje Production Ltd and YFP Deepwater Company Ltd.

Note 26 Commitments and contingencies

COMMITMENTS

Production asset commitments

As at 31 December 2024, the Group had approved the budget for PNGF Sud operations in Congo that included planned capex expenditure for coming year of USD 18.3 million (2023 USD 18.1 million) representing HEPCO's equity interest funding commitment in the licence.

CONTINGENCIES

Økokrim Matter

In December 2021 the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim) initiated an investigation into allegations of corruption and, from 2024, allegations of market manipulation, and brought criminal charges against individuals associated with the company. Økokrim has confirmed that neither PetroNor nor any of its subsidiaries has been charged. However, from 2024, PetroNor has been given status as suspect in relation to the market manipulation investigation, and its subsidiary, Hemla Africa Holding AS, has been given status as a suspect in relation to the corruption investigation.

To mitigate potential corporate liability risks, the board has taken various remediation steps, as outlined in the director's report, including obtaining independent legal advice and implementing a compliance action plan. Despite the ongoing investigations, the company has continued to operate effectively but has incurred costs in addressing this issue and fully cooperating with the investigating authorities. The company is not aware of the status or duration of the investigations into the individuals involved, and the uncertainty surrounding the outcome could potentially impact the Group's ability to conduct transactions with both new and existing partners.

OML 113 Conditional Consideration

As part of the transaction to acquire the interest in OML 113 conditional consideration has been assessed as a potential contingency to the Group. An additional consideration of USD 0.10 per 1,000 cubic feet of the AJE Natural Gas Sales Volume is to be paid to Panoro Energy ASA once the conditions stipulated within the SPA are met. This conditional consideration is capped at USD 16.67 million.

Note 27 Events subsequent to reporting date

An interim balance sheet as of 9 December 2024 was approved at an EGM held on 23 January 2025. This enabled the approval of a shareholder distribution equivalent to 2 NOK per share that was paid out on 31 January 2025. USD 25.6 million of cash was used to payout this distribution.

At an EGM held on 20 March 2025, Azza Fawzi stepped down from the board and was replaced by Andri Georghiou.

On 2 April 2025, PetroNor advised that it had been notified by the US Department of Justice (DoJ) that they have closed their investigation into the Company.

Note 28 Summary of accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated

28A. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

IASB has issued several amendments to standards or interpretations to standards effective as of 1 January 2024. PetroNor have adopted these standards in the financial year, the impacts were not material to PetroNor's consolidated financial statements upon adoption.

The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements in April 2024, which becomes effective for annual periods beginning on or after 1 January 2027. IFRS 18 introduces significant changes to the structure and content of the primary financial statements, including:

- A revised format for the statement of profit or loss, including the classification of income and expenses into five categories in the Consolidated statement of comprehensive income: operating, investing, financing, income taxes, and discontinued operations
- Introduction of defined subtotals such as operating profit.
- Enhanced aggregation and disaggregation requirements to improve comparability and clarity.
- Disclosure of management-defined performance measures (MDPMs), promoting transparency around non-GAAP metrics.

The Group has not early adopted IFRS 18. The standard is expected to affect the presentation and disclosure of the Group's financial statements but will not impact recognition or measurement of assets, liabilities, income, or expenses. The Group is currently assessing the impact of these changes and will implement necessary updates to its financial reporting systems and processes ahead of the effective date.

Impacts of other standards and amendments to standards, and interpretations of standards, issued but not yet effective are not expected to have a material impact on the Group.

28B. CONSOLIDATION

The consolidated financial statements comprise the financial statements of PetroNor E&P ASA ("the company", formerly PetroNor E&P Ltd) and its subsidiaries for the year ended 31 December 2024 (together the Group).

An entity has been assessed as being controlled by the Group when the Groups is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Specifically, the Group controls an entity if and only if the Group has:

- Power over the entity (i.e., existing rights that give it the current ability to direct the relevant activities of the entity)
- Exposure, or rights, to variable returns from its involvement with the entity, and
- The ability to use its power over the entity to affect its returns

When the Group has less than a majority of the voting or similar rights of an entity, the Group considers all relevant facts and circumstances in assessing whether it has power over an entity, including:

- The contractual arrangement with the other vote holders of the entity
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Business combinations are accounted for by using the acquisition method. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 interests

- Derecognises the cumulative translation differences recorded 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 OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

28C. FOREIGN CURRENCY TRANSLATION

Functional and presentation currency
The company has applied United States Dollars, being the functional currency of all major subsidiaries in the Group, as its presentation currency. Where the functional currencies of entities within the consolidated group differ from United States Dollars, they have been translated into United States Dollars. The functional currency of PetroNor E&P ASA Group is United States Dollars.

Transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date and any gains or losses are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in the foreign currency are translated using the exchange rate as at the date of the initial transaction. 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.

Translation of Group Companies' functional currency to presentation currency

On consolidation, the assets and liabilities of foreign operations are translated into United States Dollars at the rate of exchange prevailing at the reporting date and their income and expenditure are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

28D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

28E. TRADE RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

28F. TANGIBLE ASSETS

Property, plant and equipment
Oil & gas production assets
Oil and gas production assets are aggregated exploration and evaluation tangible assets and development expenditures associated with the production of proved reserves.

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. Oil and gas production assets have a finite life.

Depreciation
Oil and gas properties are depreciated using the unit-of-production method. Unit-of production rates are based on 1P proved reserves, which are oil, gas and other mineral reserves estimated to be recovered from existing facilities using current operating methods. Oil and gas volumes are considered produced once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the field storage tank.

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

Property, plant and equipment not associated with exploration and production activities are carried at cost less accumulated depreciation. These assets are also evaluated for impairment.

28G. INTANGIBLE ASSETS

Exploration and evaluation activity involves the search for hydrocarbon resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. For each area of interest, expenditure incurred in the acquisition of rights to explore and all costs directly associated with holding the licence such as rental, training and corporate and social responsibility are capitalised as exploration and evaluation intangible assets. Signature bonuses required by licence agreements are capitalised as exploration and evaluation intangible assets. Other costs directly associated with the licence are expensed as incurred.

Exploration, evaluation and development expenditure is recorded at historical cost and allocated to cost pools on an area of interest. Expenditure on an area of interest is capitalised and carried forward where rights to tenure of the area of interest are current and:

- it is expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; or
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the period in which the decision to abandon the area is made.

Projects are advanced to development status when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest.

All capitalised costs are subject to commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off through the statement of profit or loss and other comprehensive income.

When proved reserves of oil and natural gas are identified and development is sanctioned by management, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties.

Proceeds from disposal or farm-out transactions of intangible exploration assets are used to reduce the carrying amount of the assets. When proceeds exceed the carrying amount, the difference is recognised as a gain. When the Group disposes of its full interests, gains or losses are recognised in accordance with the policy for recognising gains or losses on sale of plant, property and equipment.

Generally Intangible assets can be viewed indefinite as they will be retained on the balance sheet until impaired or transferred to oil and gas properties. Certain licence related costs capitalised as intangible assets are deemed to have a finite life and are accreted over the life of the licence area.

Depreciation
Licence related costs capitalised as Intangible assets are depreciated using the unit-of-production method. Unit-of production rates are based on 1P proved reserves, which are oil, gas and other mineral reserves estimated to be recovered from existing facilities using current operating methods. Oil and gas volumes are considered produced once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the field storage tank.

Technical goodwill
Technical goodwill recognised in business combinations is allocated to each CGU for the purposes of impairment testing. Impairment is tested on an annual basis or when there are impairment indicators. Indicators may be specific to an individual CGU or groups of CGUs to which the technical goodwill is related. When conducting impairment testing, deferred tax recognised in relation to the acquired licences reduces the net carrying value prior to the impairment charges.

Impairment is recognised if the recoverable amount of the CGU (or groups of CGUs) to which the technical goodwill relates to is less than the carrying amount.

Impairment of goodwill cannot be reversed in future periods.

28H. REVENUE
(i) 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.

(ii) Other revenue
Under a production sharing contract, where the group is required to pay profit oil tax and royalties on production of crude oil, such payments are settled in kind (where the government lift the crude it is entitled to). 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 and any associated royalties are included in the cost of sales.

The Group assesses whether it acts as a principal or agent in each of its revenue arrangements. The Group has concluded that in all sales transactions it acts as a principal.

(iii) Variable consideration
If the consideration in a contract includes a variable amount, the Group recognises this amount as revenue only to the extent that it is highly probable that a significant reversal will not occur in the future.

(iv) Interest
Interest income is recognised on a time-proportional basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected useful life of the financial asset to the net carrying amount of the financial asset.

28I. TAXES
The income tax expense or benefit for the period consists of two components: current and deferred tax.

The current income tax payable or recoverable is calculated using the tax rates and legislation that have been enacted or substantively enacted at year-end in each of the jurisdictions and includes any adjustments for taxes payable or recovery in respect of prior periods.

Deferred tax assets and liabilities are determined using the balance sheet liability method based on temporary differences between the carrying value of assets and liabilities for financial reporting purposes and their tax bases. In calculating the deferred tax assets and liabilities, the tax rates used are those that have been enacted or substantively enacted by year-end in each of the jurisdictions and that are expected to apply when the assets are recovered, or the liabilities are settled.

Revenue-based taxes
In addition to corporate income taxes, the Group's consolidated financial statements also include and recognise as income taxes, other types of taxes on net income such as certain revenue-based taxes.

Production-sharing arrangements
According to the production-sharing arrangement (PSA) in certain licences, 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 the Group to the appropriate tax authorities.

The income tax expense
The current income tax is calculated using the PSA, paid in barrels and booked as income tax and also shown as revenue. Other income tax relates to the gain on disposal of the farm-out in Guinea-Bissau included in discontinued operations.

28J. DEFINED CONTRIBUTION PENSION PLAN

The Group pays contributions into defined contribution plans. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

28K. TRADE AND OTHER PAYABLES

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted.

28L. PROVISIONS

Decommissioning liability

A decommissioning 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 decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning 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 decommissioning liability is included as a finance cost.

An escrow account is maintained by the operator of the licence and is governed by a joint operating agreement and the Congolese Government rules. The Group's share, paid against the decommissioning liability until the balance sheet date, is classified as an advance against decommissioning liability in current assets.

28M. SHARE CAPITAL

Contributed equity is recognised at the fair value of the consideration received by the Group, less any capital raising costs in relation to the issue.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

28N. DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are declared and appropriately authorised or approved by the Company's Shareholders' General Meeting. Interim dividends proposed by the Board of Directors are recognised as liabilities upon declaration.

28O. JOINT ARRANGEMENTS

Joint arrangements are arrangements of which two or more parties have joint control. Joint control is the contractual agreed sharing of control of the arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Control is assessed by applying the principles under IFRS 10 to determine whether the Group has joint control . Joint arrangements are classified as either a joint operation or joint venture, based on the rights and obligations arising from the contractual obligations between the parties to the arrangement. Considerations in assessing the classifications would include assessments of control that are based not just on voting rights but on the extent that the joint arrangement provides the Company with rights to the individual assets and obligations arising from the joint arrangement

If the arrangement is classified as a joint operation the Company 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;
- Share of revenue from the sale of the output by the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

A joint arrangement which provides the Company with rights to the net assets of the arrangement, is classified as a joint venture and accounted for using the equity method and treated as an investment . Under the equity method, the cost of the investment is adjusted by the post-acquisition changes in the Company's share of the net assets of the venture.

Where assets are transferred into separate legal entities concurrent with the entities shares being sold to a third party thereby resulting in a loss of control of those asset owning subsidiaries these assets will be treated as a joint venture.

28P. BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair value at the date of exchange of assets and liabilities acquired. Where a non-controlling interest exists, 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. The initial accounting for a business combination can be changed if new information about the fair value at the acquisition date is present. The allocation can be amended within 12 months of the acquisition date. When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration is re-measured to fair value at subsequent reporting dates with changes in fair value recognised in the income statement.

Goodwill is recognised as the aggregate of the consideration transferred and the amount of any non-controlling interest and deducted by the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill is not depreciated but is tested at least annually for impairment. In connection with this, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the business combination.

PetroNor recognises a gain/loss on disposal of subsidiary when control is lost.

Company statement of comprehensive income – PetroNor E&P ASA

Amounts in USD thousand	*Note*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
Administrative expenses	*4/10*	**(8,633)**	(2,927)
Loss from operations		**(8,633)**	(2,927)
Finance income/(expense)		**12**	-
Loss from operations		**(8,621)**	(2,927)
Foreign exchange gain/(loss)		**508**	402
Tax expense		**-**	-
Profit/(Loss) for the year		**(8,113)**	(2,525)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation on foreign operations		**-**	18
Other Comprehensive income/(loss):		**-**	18
Total comprehensive income/(loss)		**(8,113)**	(2,507)
(Loss) for the year attributable to:			
Owners of the parent		**(8,113)**	(2,525)
Total		**(8,113)**	(2,525)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**(8,113)**	(2,507)
Total		**(8,113)**	(2,507)
Loss per share attributable to owners of the parent:			
Basic (loss) per share		**(5.70)**	(1.77)
Diluted (loss) per share		**(5.70)**	(1.77)

Company statement of financial position – PetroNor E&P ASA

At 31 December

Amounts in USD thousand	*Note*	**As at 31 December 2024**	As at 31 December 2023
Assets			
Current assets			
Other receivables	*6*	**5,517**	3,361
Cash and cash equivalents		**36,608**	9
Total current assets		**42,125**	3,370
Non-current assets			
Other receivables	*6*	**11,691**	11,000
Investment in associates	*5*	**-**	1
Investments in subsidiaries	*5*	**141,579**	141,579
Total non-current assets		**153,270**	152,580
Total assets		**195,395**	155,950
Liabilities			
Current liabilities			
Trade payable	*7*	**865**	369
Other payables	*7*	**4,427**	12,365
Total current liabilities		**5,292**	12,734
Non-current liabilities			
Loans and borrowings	*8*	**55,000**	-
Total non-current liabilities		**55,000**	-
Total liabilities		**60,292**	12,734
NET ASSETS		**135,103**	143,216
Issued capital and reserves attributable to owners of the parent			
Share capital	*9*	**159**	159
Share premium	*9*	**151,420**	151,420
Reserves		**(79)**	(79)
Retained earnings		**(16,397)**	(8,284)
TOTAL EQUITY		**135,103**	143,216

Company statement of changes in equity – PetroNor E&P ASA

Amounts in USD thousand	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	**Total**
For the period ended 31 December 2024					
Balance at 1 January 2024	159	151,420	(79)	(8,284)	**143,216**
Loss for the year	-	-	-	(8,113)	**(8,113)**
Other comprehensive income:	**-**	**-**	-	-	**-**
Total comprehensive loss for the year	-	-	-	(8,113)	**(8,113)**
Balance at 31 December 2024	159	151,420	(79)	(16,398)	**135,103**
For the year ended 31 December 2023					
Balance at 1 January 2023	159	151,420	(97)	**(5,759)**	**145,723**
Loss for the year	-	-	-	**(2,525)**	**(2,525)**
Other comprehensive income:	-	-	18	**-**	**18**
Total comprehensive loss for the year	-	-	18	**(2,525)**	**(2,507)**
Balance at 31 December 2023	159	151,420	(79)	**(8,284)**	**143,216**

Company statement of cash flows – PetroNor E&P ASA

Amounts in USD thousand	*Note*	**For the year ended 31 December 2024**	For the period ended 31 December 2023
Loss for the period		**(8,113)**	(2,525)
Adjustments for:			
Net foreign exchange differences		**-**	18
Interest expense	*8*	**15**	-
Total		**15**	18
Increase in other receivables		**(2,846)**	(2,584)
Increase in trade and other payables		**7,558**	5,070
Cash (used in)/generated from operations		**(3,386)**	(21)
Income taxes paid		**-**	-
Net cash flows from operating activities		**(3,386)**	(21)
Cash flows from financing activities			
Proceeds from borrowings		**40,000**	-
Interest on borrowings	*8*	**(15)**	-
Net cash flows from financing activities		**39,985**	-
Net increase/(decrease) in cash and cash equivalents		**36,599**	(21)
Cash and cash equivalents at beginning of period		**9**	30
Cash and cash equivalents at end of period		**36,608**	9

Notes to the financial statements – PetroNor E&P ASA

Note 01 Corporate information

PetroNor E&P ASA is a public limited company, incorporated in Norway.

Registered office:
Frøyas gate 13
0273 Oslo
Norway

DIRECTORS
The names of Directors in office during the financial period and until the date of approval of these financial statements are as follows. Directors were in office for this entire period unless otherwise stated.

Current members:

	Role	Appointed	Resigned
J Iskander	Chair	8 October 2021	-
J Norman-Hansen	Board member	26 January 2023	-
A Georghiou	Board member	20 March 2025	-
A Fawzi	Board member	26 January 2023	20 March 2025
I Tybring-Gjedde	Board member	1 October 2021	1 November 2024
G Kielland	Board member	1 October 2021	1 November 2024
E Alhomouz	Chair	1 October 2021	29 May 2024

The financial statements were approved by written resolution of the board on 28 April 2025.

Note 02 Basis of preparation

PetroNor E&P ASA's financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and are mandatory for financial years beginning on or after 1 January 2024. Additional disclosures required by the Norwegian Accounting Act are also provided.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Company's accounting policies.

There are no areas involving a high degree of judgment or complexity.

The financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

The financial report is presented in US Dollars being the primary currency for group operations. The Company's core investments are operating in the oil and gas industry where the underlying currency of transactional business is the US Dollar and all material underlying transactions are USD based.

In previous periods the functional currency was stated to be NOK but a reassessment concludes that this was incorrect information. The effective functional currency from inception has been the USD.

Foreign currency transactions are translated at daily exchange rates. Assets and Liabilities are translated at the rates prevailing at the balance sheet date.

Note 03 Employee benefit expenses

The company has no employees

Note 04 Auditors' remuneration

Amounts in USD thousand	**2024**	2023
Audit review of financial reports		
BDO AS	**214**	30
BDO Network firms	**-**	-
Total	**214**	30
Other non-assurance services		
BDO related practices	**-**	-
Total	**-**	-
Paid or payable to other audit firms		
Audit or review of financial reports	**-**	-
Other non-assurance services	**-**	93
Total	**-**	123

Note 05 Investments

Amounts in USD thousand	**2024**	2023
Investment in joint ventures - Aje Production AS	**-**	1
Investment in subsidiaries	**141,579**	141,579
Investments at 31 December	**141,579**	141,580

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are measured at cost. Investments are assessed for impairment on annual basis, the Company conducts an impairment test to ensure that the assets are carried at no more than their recoverable amount. The Company's evaluation of the recoverability of its investment involves assessing both the net assets of subsidiary structure and the economic value of the future cash flows arising from " Cash Generating Units" CGU's within the legal subsidiary structure. Group production and intangible assets are assessed for indicators of impairment on a periodic basis . Indicators of impairment would be for example a licence that is approaching the end of its term or a licence where management have indicated that there are no plans to continue with exploration and evaluation, or evaluation work which indicated that an asset would be uneconomic. The carrying value of production and intangible assets are assessed against their risked economic value for indicators of impairment. Two of the key factors in the economic evaluation of hydrocarbon assets are the future oil prices and the recoverable reserves of the assets. No assets were impaired in the period ended 31 December 2024. Refer to Note 15 of the Group report for further information on the impairment assessment.

Please refer to note 25 of Group report for full corporate structure.

The closing balance of investments at 31 December 2024 of USD 141.6 million (2023: 141.6 million), consists of investments in subsidiaries and an investment in associate for the joint venture in Aje Production AS. The Company recognised its 52% share of the losses within the Aje Production AS joint venture and thus the USD 1,000 historic investment balance has been written down to nil at 31 December 2024.

The following table represents the significant subsidiary held by PetroNor E&P ASA:

Name	Ownership share in %	Country of Incorporation
PetroNor E&P Pty Ltd	100	Australia

Note 06 Other receivables

Amounts in USD thousand	**2024**	2023
Other receivables	5,517	3,361
Total	5,517	3,361
Recoverability more than one year		
Other receivables	11,691	11,000
Total	**11,691**	**11,000**

In 2023, PetroNor transferred 100% of shares in its Aje subsidiaries to Aje Production AS. The consideration shares equivalent to USD 10 million have not yet been issued. As a result, a non-current receivable of USD 10 million has been recognised. Upon completion, the fair value of the investment in associate will be recognised. A further USD 1 million has been recognised which was historically capitalised in the investment. This balance represents a signature bonus paid by PetroNor E&P ASA that will subsequently be recovered from the joint venture.

Note 07 Trade and other payables

Amounts in USD thousand	**2024**	2023
Recoverability less than one year		
Trade payables	**865**	369
Related party payables	**3,698**	12,111
Other accrued costs	**729**	254
Total	**5,292**	12,734

Note 08 Loans and Borrowings

Amounts in USD thousand	**2024**	2023
Non-current related party loan	**55,000**	-
Total	**55,000**	-

On 26 November 2024, PetroNor entered into an intercompany loan agreement with subsidiary PetroNor E&P Pty Ltd to advance a maximum aggregate amount of USD 55 million. The facility converted a pre-existing intercompany payable of USD 15 million and a cash amount of USD 40 million as stipulated in the intercompany loan agreement. The facility is unsecured and carries an interest rate of 5.0% per annum payable quarterly. The loan is repayable upon maturity which is the date falling 3 years from the first drawdown date being 9 December 2024.

Non-cash adjustment
The statement of cash flows includes a non-cash adjustment for the conversion of the existing intercompany payable of USD 15 million.

Note 09 Equity

SHARE CAPITAL
All shares have equal rights and are freely transferable Share capital.

Reconciliation of movement in shares on issue

	Number of fully paid ordinary shares 2024	Number of fully paid ordinary shares 2023
Issue of shares	**-**	7
Reverse share split[1]	**-**	(1,281,211,695)
Balance at end of the year	**142,356,855**	142,356,855

Reconciliation of movement in issued capital

	2024	2023
Opening balance	**159**	159
Balance at end of the period	**159**	159

[1] *On 16 June 2023 PetroNor announced that the reverse share split in the ratio 10:1 had been registered with the Norwegian Register of Business Enterprises. Following such registration, the share capital of the Company is NOK 1,423,568.55 divided into 142,356,855 shares, each with a nominal value of NOK 0.01. EPS has been adjusted by a factor of ten on the face of the Consolidated Income Statement so as to be comparative.*

SHARE PREMIUM
Share premium reserve represents excess of subscription value of the shares over the nominal amount.

	2024	2023
Opening balance	**71,956**	71,956
Balance at end of the period	**71,956**	71,956

Note 10 Related parties

The remuneration for board members is paid by subsidiary company PetroNor E&P Services AS, in addition the former chair Eyas Alhomouz received partial remuneration through subsidiary company Hemla E&P Congo SA.

Details on the remuneration to individual board members is included in note 22B in the notes to the consolidated financial statements of PetroNor E&P ASA.

10A. TRANSACTIONS AND PERIOD-END BALANCES WITH RELATED PARTIES
Transactions with related parties included in the statement of comprehensive income:

Amounts in USD thousand	**2024**	2023
PetroNor E&P Services AS	**1,086**	227
Administrative expenses	**1,086**	227

PetroNor E&P Services AS is 100% indirectly controlled entity of PetroNor E&P ASA.

Balances due from and due to related parties disclosed in the statement of financial position:

Amounts in USD thousand	**2024**	2023
Other payables:		
PetroNor E&P Services AS	**3,141**	1,000
PetroNor E&P Pty Ltd (Australia)	**55,658**	11,110
PetroNor E&P Services Ltd (UK)	**751**	-
Total payables to related parties	**59,550**	12,110

Amounts in USD thousand	**2024**	2023
Other receivables:		
Aje Production AS and subsidiaries	**11,681**	11,067
PetroNor E&P Ltd (Cyprus)	**11**	3
Total receivables from related parties	**11,692**	11,070

Note 11 Risk management

Please refer to group policy for detail on risk management as detailed in note 23.

Note 12 Financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances and cash. Financial liabilities consist of other liabilities.

The fair values of the Company's financial instruments are not materially different from their carrying amounts at the reporting date largely due to the short-term maturities of these instruments.

Measurement of financial instruments by categories
The following tables present PetroNor E&P ASA's classes of financial instruments and their carrying amounts by the categories as they are defined in IFRS 9 Financial instruments. For financial investments, the difference between measurement as defined by IFRS 9 categories and measurement at fair value is immaterial. For trade and other receivables and payables and cash and cash equivalents, the carrying amounts are considered a reasonable approximation of fair value.

Amounts in USD thousand	Amortised cost	Total carrying amount
At 31 December 2024		
Assets		
Receivables from subsidiaries	11	11
Trade and other receivables	5,506	5,506
Cash and cash equivalents	36,608	36,608
Total financial assets	42,125	42,125
Liabilities		
Trade and other payables	742	742
Payables and loans due to subsidiaries	4,550	4,550
Loans payable to subsidiaries	55,000	55,000
Total financial liabilities	60,292	60,292

Amounts in USD thousand	Amortised cost	Total carrying amount
At 31 December 2023		
Assets		
Receivables from subsidiaries	3	3
Trade and other receivables	14,361	14,361
Cash and cash equivalents	9	9
Total financial assets	14,373	14,373
Liabilities		
Trade and other payables	624	624
Payables due to subsidiaries	12,110	12,110
Total financial liabilities	12,734	12,734

Note 13 Commitments and contingencies

Contingencies

OML 113 Conditional Consideration

As part of the transaction to acquire the interest in OML 113 conditional consideration has been assessed as a potential contingency to the Group. An additional consideration of USD 0.10 per 1,000 cubic feet of the AJE Natural Gas Sales Volume is to be paid to Panoro Energy ASA once the conditions stipulated within the SPA are met. This conditional consideration is capped at USD 16.67 million.

Økokrim Matter

In December 2021 the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim) initiated an investigation into allegations of corruption and, from 2024, allegations of market manipulation, and brought criminal charges against individuals associated with the Company. Økokrim has confirmed that neither PetroNor nor any of its subsidiaries has been charged. However, from 2024, PetroNor has been given status as suspect in relation to the market manipulation investigation, and its subsidiary, Hemla Africa Holding AS, has been given status as a suspect in relation to the corruption investigation.

To mitigate potential corporate liability risks, the board has taken various remediation steps, as outlined in the director's report, including obtaining independent legal advice and implementing a compliance action plan. Despite the ongoing investigations, the Company has continued to operate effectively but has incurred costs in addressing this issue and fully cooperating with the investigating authorities. The Company is not aware of the status or duration of the investigations into the individuals involved, and the uncertainty surrounding the outcome could potentially impact the Group's ability to conduct transactions with both new and existing partners.

Note 14 Events after the reporting period

An interim balance sheet as of 9 December 2024 was approved at an EGM held on 23 January 2025. This enabled the approval of a shareholder distribution equivalent to 2 NOK per share that was finally paid out on 31 January 2025. USD 25.6 million of cash was used to payout this distribution.

At an EGM held on 20 March 2025, Azza Fawzi stepped down from the board and was replaced by Andri Georghiou.

Except for the above, the Company has not identified any events with significant accounting impacts that have occurred between the end of the reporting period and the date of this report.

On 2 April 2025, PetroNor advised that it had been notified by the DoJ that they have closed their investigation into the Company.

Note 15 Summary of accounting policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits, other short-term highly liquid investments with original maturities of three months or less.

TRADE AND OTHER PAYABLES

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted.

SHARE CAPITAL

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

FINANCIAL INSTRUMENTS

(i) Financial assets

The Group's financial assets predominantly comprise cash and cash equivalents and trade receivables.

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss, as appropriate.

All financial assets held by the Group are measured at amortised cost.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for financial assets based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit-loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Financial liabilities

The Group's financial liabilities mainly comprise interest-bearing liabilities and trade payables.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortised cost, payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

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 Group’s financial statements for 2024 have been prepared in accordance with IFRS® Accounting Standards as adopted 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 Group'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 business, and includes a description of the principal risk and uncertainty factors facing the Group. Additionally, we confirm to the best of our knowledge that the "Payments to governments" included in the Directors’ Report has been prepared in accordance with the requirements in the Norwegian Securities Trading Act Section 5-5a with pertaining regulations.

28 April 2025

The Board of Directors – PetroNor E&P ASA

Joseph Iskander
Board Member

Jarle Norman-Hansen
Board Member

Andri Georghiou
Board Member

BDO AS
Bygdøy Allè 2
PO Box 1704 Vika
0257 Oslo
Norway

To the General Meeting of PetroNor E&P ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PetroNor E&P ASA.

The financial statements comprise:	In our opinion:
• The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2024, income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and • The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.	• The financial statements comply with applicable statutory requirements, • The accompanying 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 its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU. • The accompanying 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 its 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 as required by 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) (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 PetroNor E&P ASA for 4 years from the election by the general meeting of the shareholders on 1 October 2021 for the accounting year 2024.

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 of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	**How the key audit matter was addressed in the audit**
Valuation of Property, Plant & Equipment	
PetroNor E&P ASA had property, plant and equipment with a carrying amount of USD 85,890 thousands at 31 December 2024. The management's assessment of recoverable amounts of property, plant and equipment requires estimates and assumptions relating to operational and market factors and involves significant judgments. No impairments have been recognized during 2024 related to these assets. We consider this area as a key audit matter because property, plant and equipment constitute a significant share of total assets in the balance sheet, and because the assessment of recoverable amount is complex and involves significant management judgments which may have a direct impact on net profit. Please refer to note 14 in the consolidated financial statements.	We obtained management's calculation of recoverable amounts of property, plant and equipment as at 31 December 2024. We evaluated the production volumes and capital expenditures used in the forecasted cash flows against external and internal reserve reports and assessed commodity prices against available market information. We engaged specialists in assessing management's estimates of weighted average cost of capital including country risk premiums, and we compared the input against available market information. Furthermore, we evaluated the professional qualifications and objectivity of the external reserve experts used by management. We have also evaluated the adequacy of the disclosures.

Other information

The Board of Directors and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and 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 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

Report on compliance with requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of PetroNor E&P 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 984500AEEH2D2AK42C11-2024-12-31-0-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 (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

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

BDO AS

Børre Skisland
State Authorised Public Accountant
(This document is signed electronically)

Glossary and definitions

Bbl	One barrel of oil, equal to 42 US gallons or 159 litres
Bcf	Billion cubic feet
bopd	Barrels of oil per day
boepd	Barrels of oil equivalent per day
CPR	Competent Person's Report
GNPC	Gambia National Petroleum Company
Group or PetroNor Group	PetroNor E&P ASA and its subsidiaries
HAH	Hemla Africa Holding AS
HEPCO	Hemla E&P Congo SA
IOR	Improved oil recovery
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalent
Mmscfd	Million standard cubic feet per day
NUPRC	Nigerian Upstream Petroleum Regulatory Commission
PEPLA	Petroleum, exploration, development and production licence agreement
PSC	Production sharing contract
SNPC	Société National des Pétroles du Congo

Corporate directory

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