

Pearl Petroleum Company Limited

Operational & Corporate Update

Pearl Petroleum Company Ltd. ("Pearl") presents an operating and financial update for the period ended 31 March 2025. Pursuant to a Petroleum Development Agreement ("PDA") with the Kurdistan Regional Government of Iraq ("KRG"), Pearl is the Contractor and consequently takes title to and enjoys exclusive rights to appraise, develop, produce, market and sell petroleum products, including natural gas, domestically and for export, from Khor Mor, Chemchamal, Block 19 and Block 20 areas. Crescent Petroleum Company International Limited ("Crescent") and Dana Gas Upstream Holdings Limited ("Dana Gas") have been appointed as the Operator (for and on behalf of Pearl) for the purposes of the implementation of the PDA.

Quarterly Highlights

- **Sales to KRG & Third Parties:** During the period ended 31 March 2025, gas continued to be sold to the KRG, while LPG and condensate were sold to third party buyers, under separate sales contracts.
- **Revenue Performance:** During the period ended 31 March 2025 the revenue was \$165.9 million compared to \$158.4 million during the period ended 31 March 2024
- **Production Growth:** During 1Q 2025, average production was 126.2k boed compared to 122.7k boed in 1Q 2024
- **EBITDA increase:** EBITDA in 1Q 2025 was \$137.7 million compared to \$129.0 million in 1Q 2024 demonstrating a strong year over year performance.
- **Capital expenditures:** Capital expenditures in 1Q 2025 amounted to \$38.6 million compared to \$42.7 million in 1Q 2024.
- **Liquidity Position:** Cash and bank balances as on 31 March 2025 were \$611.8 million, including bank balances of \$119.0 million held in Debt Service Reserve Accounts secured in favor of senior creditors.

Operations and KM250 Project Update

- **Operational Performance at Khor Mor:** Operations at the existing Khor Mor facilities remained stable and continued without interruption during 1Q 2025. In April, production levels at the Khor Mor plant were reduced to carry out planned maintenance activities, ensuring the facility's continued reliability and long-term operational performance. This reduction will be reflected in Pearl's Q2 results.
- **KM250 Project Progress:** Construction of the KM250 expansion project is now progressing on an accelerated schedule, with first gas expected in Q1 2026. Once fully operational, KM250 is expected to add 250 MMscf/d of processing capacity, increasing Pearl Petroleum's production by 50%, while significantly boosting financial performance and cash flow. The project includes the addition of 7,000 barrels per day of condensate and 460 tonnes per day of LPG.
- **Development of the Chemchemical Field:** Pearl Petroleum has initiated first phase development activities at Chemchemical, one of Iraq's largest world-class and undeveloped gas fields. A \$160 million investment program is now underway to drill three wells and install an extended well test facility. Production of up to 75 MMscfd is targeted for the second half of 2026.

Summary of Results – Pearl Petroleum Company Limited

		Quarter ended 31 Mar 2025 (reviewed)	Quarter ended 31 Mar 2024 (reviewed)
Production ⁽¹⁾	boed	126,177	122,691
Revenue	USDm	166	158
EBITDA ⁽²⁾	USDm	138	129
Operating cash flow	USDm	141	162
Capex ⁽³⁾	USDm	39	43
Free cash flow ⁽⁴⁾	USDm	102	119
Total cash	USDm	612	331
Debt ⁽⁵⁾	USDm	604	349
Net debt	USDm	-8	19

Notes:

1. 100% production from Khor Mor field
2. Revenues less Cost of sales less Other expenses
3. Capex is shown on cash basis.
4. Free Cash Flow is net cash generated from operating activities less cash outflow for capital expenditure.
5. Debt is stated net of transaction costs and are carried at amortised cost.