

## Pearl Petroleum Company Limited

### Operational & Corporate Update

Pearl Petroleum Company Ltd. (“Pearl”) presents an operating and financial update for the quarter ended 31 December 2024. 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, 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

- **Gas Sales to KRG & Third Parties:** During the quarter ended 31 December 2024, 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 fourth quarter (“4Q”) 2024 the revenue was \$162 million reflecting a notable increase from \$141 million in 4Q 2023.
- **Production Growth:** During 4Q 2024 the average production was 123.8k boed compared to 114.7k boed in 4Q 2023.
- **EBITDA Increase:** EBITDA in 4Q 2024 was \$126 million compared to \$115 million in 4Q 2023, demonstrating a strong year-over-year performance.
- **Capital Expenditures:** Capital expenditures in 4Q 2024 amounted to \$56 million compared to \$64 million in 4Q 2023.
- **Liquidity Position:** Cash and bank balances as on 31 December 2024 were \$672.0 million including bank balances of \$101.1 million held in debt service reserve accounts secured in favor of senior creditors.

#### Annual Highlights

- **Revenue:** Revenue during year ended 31 December 2024 was \$642.4 million, an increase from \$622.9 million in 2023 representing sale of condensate, Liquefied Petroleum Gas (LPG) and gas produced from the Khor Mor field.
- **Production Performance:** Average daily production for the year was 122.0k barrels of oil equivalent per day (boed), compared to 117.4k boed in 2023. Cumulative production from the Khor Mor field reached 490.6 million boe as of 31 December 2024.
- **EBITDA:** Full-year EBITDA for 2024 remained stable at \$521 million, consistent with the \$521 million reported in 2023.

- **Cash Proceeds from Sales:** Pearl received cash proceeds from sales of condensate, LPG and gas amounting to \$745.0 million during the year ended 31 December 2024 (including partial receipts against 2023 receivables). Subsequent to 31 December 2024, \$56.0 million has been collected as of 13 February 2025.

## **Operations and KM250 Project Update**

- **Operational Performance at Khor Mor:** Operations at the existing Khor Mor facilities remained stable and continued without interruption during 4Q 2024.
- **KM250 Project Progress:** As highlighted in the Q3 2024 update, Pearl assumed direct control over the remaining phases of the KM250 project following the termination of the EPC contract with Enerflex. This strategic move ensures the project is realigned and completed efficiently. A new construction contractor has been engaged, and the KM250 project is now on track for completion in Q2 2026. Gas sales under the second gas sales agreement with the Kurdistan Regional Government (GSA2) are also expected to commence in the same quarter.
- **Bond Issuance:** Pearl issued a \$350 million (senior secured) bond during 4Q 2024. The use of proceeds is to fund the remaining construction and commissioning costs related to the KM250 project.
- **Security Incident Update:** On 2 Feb 2025, a drone strike took place at Khor Mor, which caused no injuries to people and production was not impacted.

## Summary of Results – Pearl Petroleum Company Limited

		Quarter ended 31 Dec 2024 (unaudited)	Quarter ended 31 Dec 2023 (unaudited)	Year ended 31 Dec 2024 (audited)	Year ended 31 Dec 2023 (audited)
Production <sup>(1)</sup>	boed	123,822	114,680	122,035	117,371
Revenue	USDm	162	141	642	623
EBITDA <sup>(2)</sup>	USDm	126	115	521	521
Operating cash flow	USDm	168	109	657	415
Capex <sup>(3)</sup>	USDm	56	64	149	272
Free cash flow <sup>(4)</sup>	USDm	112	45	508	143
Total cash	USDm	672	324	672	324
Debt <sup>(5)</sup>	USDm	649	413	649	413
Net debt	USDm	-23	89	-23	89

### 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.