

# Petrolia Noco



We find value by working together

FINANCIAL REPORT FOR THE FOURTH QUARTER OF 2024

## HIGHLIGHTS FOR Q4 2024

- Revenues of NOK 157.8 million
- Net loss of NOK 16.9 million, negatively affected by Løvmeis drilling
- Løvmeis well determined as technical but not commercial discovery
- Net production of 2 183 boe/day
- Awarded five licences in APA 2024 in January 2025

### Key figures (NOK million)

	Q4 2024	Q3 2024	Q4 2023	2024	2023
Revenues	157.8	129.6	2.2	713.6	9.8
Operating profit/(Loss)	-92.8	24.3	-38.3	47.0	-92.1
Net profit/(Loss)	-16.9	0.9	-12.6	-4.1	-34.4
Equity	-7.6	9.3	-3.6	-7.6	-3.6
Total assets	1 008	1 131	1 093	1 008	1 093
Cash flow from operations	14.7	72.1	-53.5	183.4	-24.3
Cash flow from investing	-6.1	-54.4	-137.5	-161.1	-153.5
Cash flow from financing	-26.2	-0.3	107.0	-27.0	152.3
Net production (boe/day)	2,186	2,205	7	2,344	16

## ABOUT PETROLIA NOCO AS

Petrolia NOCO AS is an independent exploration and production company leveraging new technologies and innovative collaboration models to discover and develop oil and gas resources on the Norwegian continental shelf. The Company's goal is profitable growth and value creation for shareholders, employees and society through smart reinvestment of cash flow from producing fields into new licences through exploration, field development and acquisitions. Our strategic focus is exploring areas near existing infrastructure for swift tie-backs while challenging traditional perspectives to revitalise legacy assets or discover new plays. The Company also takes a proactive approach towards reducing emissions through carbon capture and storage projects and supports all lower emission initiatives on all our assets.

Petrolia NOCO has 651 shareholders as of 31.12.2024. Its shares are registered in the Norwegian Central Securities Depository (Verdipapirsentralen, VPS) with ISIN: NO0010844301. The shares are registered with the ticker PNO on the NOTC ([www.notc.no](http://www.notc.no)), a marketplace for unlisted shares. The LEI code is 5493000TY8HENWE3AL33.

## FINANCIAL REVIEW

Revenues in Q4 2024 were NOK 157.8 million, up from NOK 129.6 million in Q3 2024. The increase mainly relates to an overlift in Q4. Production in the quarter was 2 183 boe per day, in line with the previous quarter (2 186 boe per day). The average realised oil price in the quarter was USD 76.9 per bbl down from USD 83.2 per bbl in Q3 2024. Average gas prices in the quarter were USD 75.4 per boe (65.9) and average NGL prices was USD 47.0 (47.1).

Production cost was NOK 50.5 million, up from NOK 21.3 million in Q3 2024. The increase is mainly related to changes in over/under lift positions.

Exploration expenses were NOK 136.3 million in Q4 2024, compared to NOK 14.5 million in Q3 2024. The increase is related to the drilling of Løvmeis which concluded in November 2024.

General & administrative expenses were NOK 13.8 million down from NOK 18.7 million in Q3 2024.

Depreciation was NOK 50.1 million and is mainly related , down from NOK 50.8 million in Q3 2024. The depreciation is mainly related to production depreciation of oil and gas properties.

Net financial items were NOK -10.8 million, of which NOK 8.5 million were interest expenses on loans. The corresponding figure in Q3 2024 was NOK -12.4 million.

Tax expenses amounted to NOK -86.8 million compared to NOK 11.0 million in Q3 2024.

The operating result was NOK -92.8 million, down from NOK 24.9 million in Q3 2024. Net loss for the quarter amounted to NOK 16.9 million, compared to net profit of NOK 0.8 million in Q3 2024. Both the operating- and net result was negatively affected by the Løvmeis drilling. Due to challenging weather conditions and drilling equipment failure, drilling the well took longer and was more expensive than forecasted. As the well was determined as non-commercial, expenses related to the drilling previously capitalized were reversed and expensed in Q4 2024.

Total assets were NOK 1007.7 million on 31 December 2024 compared to NOK 1130.5 million at the end of Q3 2024.

As of 31 December 2024, the company's goodwill was NOK 146.2 million, comprising NOK 215.8 million in technical goodwill and negative ordinary goodwill of NOK 63.3 million. The goodwill is related to the acquisition of Brage.

Oil and gas properties were NOK 262.2 million, down from NOK 316.9 million at the end of Q3 2024. The reduction is mainly due to the reversal of capitalized drilling costs related to the drilling of Løvmeis.

Exploration assets were NOK 173.8 million compared to NOK 162.7 million on 30 September 2024.

Cash and cash equivalents were NOK 25.1 million, down from NOK 42.7 million at the end of Q3 2024.

Book equity was negative NOK 7.6 million, down from NOK 9.3 million on 30 September 2024.

Interest-bearing debt was NOK 255.8 million, down from NOK 281.7 million in the previous quarter.

Decommissioning provisions were NOK 642.6 million compared with NOK 668.8 million in Q3 2024.

## **LICENCE PORTFOLIO**

Petrolia NOCO holds interest in 10 licences in the North Sea and the Norwegian Sea, including two operatorships.

### **Norwegian Sea licences**

- PL 1013 (20%)
- PL 1013 B (20%)
- PL 935 (10%)

- PL 1221 (40%) - Operator

#### **North Sea Licences**

- PL 882 (20%)
- PL1210 (30%)
- PL 1181 (60%) – Operator
- PL055 Brage Unit (12.26%)
- PL 018 C (11.654%)
- PL 048 D (21.8%)

#### **OPERATIONAL DEVELOPMENTS**

##### **Brage (12.26%)**

The acquisition of a 12.26% interest in Brage was completed on 29 December 2023. 2P reserves on 31 December 2024 were 1.38 million boe net to PNO. Net production to PNO in Q4 2024 was 2183 boe per day, in line with Q3 2024 (2186 boe per day) as additional production from the Fensfjord North infill well which started production in November offset depletion from other wells. The operator, OKEA, reported production efficiency of 90% in the quarter and 94% for the full year 2024.

##### **PL882 (20%) - Dugong**

PL 882 was awarded as part of the APA 2016 round. Petrolia recognised that the blocks west of Snorre Field were underexplored and that a new broadband seismic would better image the area.

The strong partnership led to a de-risking of the Dugong prospect, which was spudded towards the end of Q2 2020 and was subsequently announced as a commercial discovery.

The recoverable resources are estimated to be between 29 - 84 million barrels of oil equivalent.

The PL 882 licence partnership is working on several field development scenarios. First oil is now expected in 2029.

##### **PL 1013 (20%)**

In 1H 2022, the Company farmed down 40% of its interest in the licence to Equinor. The drilling of an exploration well was concluded in November 2024. The well was determined as a technical discovery and has been permanently plugged and abandoned.

**PL 935 (10%)**

The Bounty prospect in the PL 935 licence was drilled in 2022 and determined as a dry well with shows. The operator and partners are evaluating the data obtained to consider drilling additional wells. PL 935 is located in the Frøya High area.

**PL 1181 (Operator 60%)**

The licence was awarded under the APA 2022 and is located in the northern part of the North Sea. In Q1 2025, it was decided to relinquish the licence.

**Enoch (4.36%)**

The Enoch Field is an oil and gas producing field in the central part of the North Sea, located 10 km northwest of the Gina Krogh field, on the border to the British sector.

The field is now operated by Bridge Petroleum in the UK, with Equinor still as the operator for the 20% Norwegian share.

Net average production for the quarter was 3 boe per day and 12 boe per day for 2024.

**PL 1221 (Operator 40%)**

The licence was awarded under the APA 2023 and is located in the Norwegian Sea.

**PL 1210 (30%)**

The licence was awarded under the APA 2023 and is located in the North Sea. This licence has several geological levels of prospectivity which the licence group is maturing for a “drill or drop” in Q1 2026.


**SUBSEQUENT EVENTS**

On 14 January 2025 the Company announced that it was awarded interest in five licences in the Norwegian Awards in Predefined Areas (APA 2024) licensing round, including three operatorships. PNO will be the operator for licence PL1252, PL 1256 and PL 1273, all with 60% working interest. In addition, PNO will be a licence partner in PL1252 (31%) and PL1259 (30%).

Bergen, 3 March 2025



Brede Bjørvad Larsen  
Board member



Dr Robert Arnott  
Chairman



Sjur Storaas  
Board member

## INCOME STATEMENT

(Amounts in 1,000 NOK)	Q4 2024	Q3 2024	Q4 2023	Unaudited 2024	Audited 2023
Operating income	157,837	129,612	2,222	713,604	9,810
Production cost	-50,496	-21,310	643	-167,251	-2,874
Exploration expenses	-136,314	-14,484	-29,860	-224,578	-58,964
Payroll and related cost	-8,491	-8,460	-2,668	-31,611	-18,657
Depreciation and amortisation	-50,063	-50,762	-319	-215,412	-1,152
Other operating expenses	-5,312	-10,276	-8,344	-27,766	-20,220
Operating profit (loss)	-92,837	24,319	-38,826	46,985	-92,057
Finance income	8,724	5,010	431	23,284	2,554
Finance costs	-19,561	-17,437	-5,713	-69,631	-20,723
Net financial items	-10,837	-12,427	-5,282	-46,348	-18,169
Profit (loss) before income tax	-103,674	11,893	-43,608	-637	-110,225
Net Income tax	86,754	-11,019	31,000	-4,688	75,849
Profit (loss) for the period	-16,921	873	-12,609	-4,051	-34,376

STATEMENT OF FINANCIAL  
POSITION

(Amounts in 1,000 NOK)

	31 Dec 2024	30 Sep 2024	31 Dec 2023
<b>ASSETS</b>			
Goodwill	146,227	146,227	146,227
Deferred tax assets	149,157	151,263	187,830
Oil and gas properties	262,238	316,925	337,221
Exploration and evaluation assets	173,843	162,699	151,539
Right of use assets	1,140	1,369	2,053
Property, plant and equipment	1,671	1,885	2,375
Non-current receivables	81,540	80,459	77,216
<b>Total non-current assets</b>	<b>815,817</b>	<b>860,826</b>	<b>904,460</b>
Inventory	0	0	70,370
Prepayments and other receivables	133,544	177,824	40,227
Tax receivable refund tax value exploration expenses	33,219	49,177	48,411
Cash and cash equivalents	25,117	42,710	29,893
<b>Total current assets</b>	<b>191,880</b>	<b>269,711</b>	<b>188,901</b>
<b>Total assets</b>	<b>1,007,696</b>	<b>1,130,537</b>	<b>1,093,362</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	17,000	17,000	17,000
Other equity	-24,627	-7,706	-20,576
<b>Total equity</b>	<b>-7,627</b>	<b>9,294</b>	<b>-3,576</b>
Deferred taxes	0	0	0
Decommissioning provision	642,563	668,795	675,297
Lease liability	183	423	1,112
Borrowings	0	0	0
<b>Total non-current liabilities</b>	<b>642,746</b>	<b>669,218</b>	<b>676,409</b>
Trade creditors	15,758	31,440	8,629
Payable taxes	6,500	62,141	6,500
Lease liability – current	1,110	1,110	1,110
Other current liabilities	93,460	75,683	122,639
Borrowings	255,750	281,650	281,650
<b>Total current liabilities</b>	<b>372,578</b>	<b>452,025</b>	<b>420,529</b>
<b>Total equity and liabilities</b>	<b>1,007,696</b>	<b>1,130,537</b>	<b>1,093,362</b>



## CASH FLOW STATEMENT

(Amounts in 1,000 NOK)	Q4 2024	Q3 2024	Q4 2023	Unaudited 2024	Audited 2023
Profit/loss before income tax	-103,847	12,065	-44,112	637	-110,225
Tax refund exploration cost	49,349	-172	88,020	49,177	88,020
Depreciation and amortisation	50,063	50,762	-123	215,412	1,152
Gain/loss on sale of asset	0	0	-17	0	-17
Changes in account receivables	-22,342	34,472	677	-79,384	0
Changes in accounts payable	-15,683	12,924	8350	7,128	-14,911
Changes in other current balance sheet items	57,123	-37,913	672	-9,619	11,708
<b>Net cash flow from operating activities</b>	<b>14,663</b>	<b>72,137</b>	<b>53,469</b>	<b>183,352</b>	<b>-24,273</b>
Proceeds from sale of assets	0	0	0	0	0
Net cash paid in business combination	0	0	-148,581	0	-148,581
Investment in oil and gas properties	0	0	-3	0	-3
Purchase of intangible assets	0	0	-2,386	0	-2,386
Investment in exploration and evaluation assets	0	0	-2,506	0	-2,506
Purchase of property, plant and equipment	-6,078	-54,356	16,026	-161,117	-50
<b>Net cash flow from investing activities</b>	<b>-6,078</b>	<b>-54,356</b>	<b>-137,450</b>	<b>-161,117</b>	<b>-153,526</b>
Net capital increase	0	0	0	0	20,000
Repayment of lease liabilities	-278	-278	-278	-1,110	-1,110
Proceeds from issuance of long term debt	0	0	141,300	0	145,000
Proceeds from issuance of short term debt	-25,900	0	0	0	22,400
Repayment of long term debt	0	0	-20,000	0	-20,000
Repayment of short term debt	0	0	-14,000	-25,900	-14,000
<b>Net cash flow from financing activities</b>	<b>-26,178</b>	<b>-278</b>	<b>107,022</b>	<b>-27,010</b>	<b>152,290</b>
<b>Net change in cash and cash equivalents</b>	<b>-17,593</b>	<b>17,504</b>	<b>23,042</b>	<b>-4,776</b>	<b>-25,510</b>
Cash and cash equivalents at start of period	42,710	25,205	6,851	29,893	55,403
Cash and cash equivalents at end of period	25,117	42,710	29,893	25,117	29,893

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