



Azule Energy Holdings Limited

Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2025

AZULE ENERGY HOLDINGS LIMITED**Contents**

	Page(s)
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	4-5
Condensed Consolidated Cash Flow Statement	6
Financial Review	7

Azule Energy Holdings Limited
Interim Condensed Consolidated of Comprehensive Income
For the three months ended 31 March 2025

	Three months ended 31 March 2025 (Unaudited) \$'000	Three months ended 31 March 2024 (Unaudited) \$'000
Revenue	866,228	1,323,694
Cost of Sales:		
Production costs	(63,971)	(204,991)
Depletion, depreciation and amortization on property, plant, and equipment and right of use assets	(555,837)	(583,329)
Gross profit	246,420	535,374
Other operating income	160,012	140,744
Exploration costs	(5,306)	(9,450)
Administration costs	(19,609)	(3,183)
Share of post-tax profits of equity accounted associates & joint ventures	100,822	32,433
Operating profit	482,339	695,918
Finance income	28,578	6,991
Finance costs	(149,457)	(119,454)
Profit before taxation	361,460	583,455
Corporation tax	(113,177)	(266,319)
Profit for the period	248,283	317,136

Other comprehensive income equated the profit for the period. The above results were derived from continuing operations.

Azule Energy Holdings Limited
Interim Condensed Consolidated Statement of Financial Position
As at 31 March 2025

	31 March 2025 (Unaudited) \$'000	December 2024 (Audited) \$'000
Assets		
Non-current assets		
Intangible assets - goodwill	2,420,560	2,420,560
Other Intangible assets	819,115	679,690
Property, plant, and equipment including right of use assets	14,341,474	14,113,664
Investments in associates and joint ventures	3,419,873	3,436,036
Taxation	61,365	50,244
Deferred tax	349,102	288,141
Trade and other receivables	1,996,845	1,922,070
Total non-current assets	23,408,334	22,910,405
Current assets		
Inventories	700,426	690,776
Trade and other receivables	2,365,093	2,544,737
Taxation	-	694
Short-term financial instruments	10,000	-
Cash and cash equivalents	1,374,250	503,650
Total current assets	4,449,769	3,739,857
Total assets	27,858,103	26,650,262

Azule Energy Holdings Limited
Interim Condensed Consolidated Statement of Financial Position (continued)
As at 31 March 2025

	31 March 2025 (Unaudited) \$'000	December 2024 (Audited) \$'000
Equity		
Share capital	1,000	1,000
Share premium	7,921,009	7,921,009
Other reserves	1,559,498	1,559,498
Retained earnings	3,979,825	3,949,791
Total equity	13,461,332	13,431,298
Non-current liabilities		
Loans and borrowings	3,113,720	2,085,774
Lease liabilities	1,300,136	1,344,764
Provisions for liabilities and charges	3,232,894	3,067,422
Deferred tax	2,678,158	2,580,478
Total non-current liabilities	10,324,908	9,078,438
Current liabilities		
Trade and other payables	2,672,278	2,730,054
Lease liabilities	791,473	801,393
Loans and borrowings	555,084	443,001
Taxation	53,028	166,078
Total current liabilities	4,071,863	4,140,526
Total liabilities	14,396,771	13,218,964
Total equity and liabilities	27,858,103	26,650,262

Azule Energy Holdings Limited
Interim Condensed Consolidated Statement of Cash Flows
For the three months ended 31 March 2025

	Three months ended 31 March 2025 (Unaudited) \$'000	Three months ended 31 March 2024 (Unaudited) \$'000
Cash inflow generated from operations	915,940	904,076
Interest received	12,995	5,956
Interest paid	(58,338)	(61,579)
Income taxes paid	(160,066)	(112,187)
Net cash generated from operating activities	710,531	736,266
Investing activities		
Purchase of Property, Plant, and Equipment and Intangibles	(591,673)	(409,500)
Purchases of other financial assets	(10,000)	-
Additions to escrow	(26,826)	(25,609)
Dividends received from Associates	116,985	87,076
Net cash used in investing activities	(511,514)	(348,033)
Financing activities		
Proceeds from Bond issue	1,191,600	-
Proceeds from RCF drawdown	-	34,500
Repayments of RCF	(50,000)	-
Dividends paid to shareholders	(218,250)	(225,000)
Payment of lease liability obligations	(251,792)	(210,000)
Net cash used in financing activities	671,558	(400,500)
Net increase/(decrease) in cash and cash equivalents	870,575	(12,267)
Cash and cash equivalents at start of year/period	503,650	603,749
Exchange gains on cash and cash equivalents	25	(217)
Cash and cash equivalents at end of period	1,374,250	591,265

Azule Energy Holdings Limited
Financial Review
For the three months ended 31 March 2025

FINANCIAL REVIEW SUMMARY

		2025	2024
Production	Mboed*	200.7	207.9
Crude oil	\$/boe	76	83
ALNG	\$/mmbtu**	14	6
EBITDA ***	\$ million	937	1,247
Leverage ratio	times	0.62	0.43

*Thousand barrels' oil equivalent per day.

**Metric Million British thermal units

*** EBITDA is arrived at by adjusting operating profit by the share of associates/joint ventures while adding back the depreciation, amortisation, and impairment

Income Statement

Oil sales for the period ended 31 March 2025 for \$866 million (Q12024: \$1,324 million) were significantly lower on the back of lower average realised price of \$76/boe vs \$83/boe along with lower liftings (12 mmboe vs 17 mmboe). Other income comprising the partner recovery on related IFRS 16 lease obligations for the period amounted to \$160 million (Q12024: \$141 million) and is higher due to additional rig contracts executed in latter half of 2024.

Production costs decreased by \$141 million amounting, to \$64 million for Q12025 (Q12024: \$203 million). The movement is driven by the movement of net liftings entitlement resulting in overall under lifting position which is valorised at lower technical cost (vs market price for overlifting for comparative period), partially offset by additional inventory provision in '25. Administration costs increased by \$16.4 million owing to bonds related fees and tax provision adjustment.

Gains from associates amounted to \$101 million for the period (Q12024: \$32 million), with the movement being a result of significantly lower prices in 2024. Net financial expenses increased by \$8 million on the back of bond related interest accrued for in Q12025.

Taxes are lower overall due to lower revenues as explained above, but tax rate is roughly aligned.

Balance Sheet

Net assets of \$13,461 million at 31 March 2025 (\$13,431 million at 31 December 2024), is represented by total assets of \$27,858 million (\$26,650 million at 31 December 2024) and total liabilities of \$14,397 million (\$13,219 million at 31 December 2024). Total assets include \$14,341 million of property, plant and equipment (PPE) and Right of Use (ROU) assets (\$14,114 million at 31 December 2024) with the overall increase during the period attributable to the ramp up of the spend on NGC and Agogo projects, overall additions for the period amounting to \$682 million, offset by depreciation charges of \$415 million. Movements in ROU assets pertain to additions for the period amounting to \$164 million, offset by \$178 million of depreciation charges. Also included in the total assets are \$819 million of Exploration & Evaluation assets (\$680 million at 31 December 2024) which increased on account of the additions related to drilling activity of PEL 85, Namibia.

Current Trade and other receivables decreased to \$2,365 million (\$2,545 million at 31 December 2024) due to lower liftings in Q1 2025. On the other hand, cash at bank increased to \$1,375 million (\$503 million at 31 December 2024) primarily due to proceeds from the bond issue.

Total liabilities include \$3,669 million of loans and borrowings (\$2,529 million at 31 December 2024) with the increase being attributable to the bond and phasing of repayments. Movements in the period on the provisions for liabilities and charges was due to amounts recognised for higher cost estimates and higher well count.

Cashflows

Net cash inflow generated from operations is comparable between Q1'2025 and Q1'2024.

Net cash used in investing activities for the period ended 31 March 2025 was \$512 million (31 March 2024: \$348 million). The increase is primarily from higher cash outflows relating to purchases of property, plant and equipment and intangibles amounting to \$592 million (Q12024: \$410 million). This is due to the ramp up of capital and exploration spend on NGC, Agogo and Namibia. This increase in cash outflows is partially offset by higher dividends received from associates in Q12025 amounting to \$117 million (Q12024: \$87 million).

Net cash generated by financing activities increased in Q12025 primarily due to proceeds from the bonds issue amounting to \$1.2 billion.