



Azule Energy Holdings Limited

**Consolidated Financial Statements
for the Quarter ended 31 March 2026**

Azule Energy Holdings Limited
Consolidated Statement of Comprehensive Income
For the quarter ended 31 March 2026

	Three months ended 31 March 2026 (Unaudited) \$'000	Three months ended 31 March 2025 (Unaudited) \$'000
Revenue	944,194	866,228
Cost of Sales:		
Production costs	(198,012)	(63,971)
Depletion, depreciation and amortization on property, plant, and equipment and right of use assets	(685,811)	(555,837)
Gross profit	60,371	246,420
Other operating income	208,874	160,012
Exploration costs	(447)	(5,306)
Administration costs	(12,131)	(19,609)
Share of post-tax profits of equity accounted associates and joint ventures	51,786	100,822
Operating profit	308,453	482,340
Finance income	44,494	28,578
Finance costs	(196,306)	(149,457)
Profit before taxation	156,642	361,460
Corporation tax	(106,028)	(113,177)
Profit for the period	50,613	248,283

Azule Energy Holdings Limited
Consolidated Statement of Financial Position
As at 31 March 2026

	31 March 2026 (Unaudited) \$'000	31 December 2025 (Audited) \$'000
Assets		
Non-current assets		
Intangible assets - goodwill	2,402,396	2,402,396
Other Intangible assets	1,046,687	952,305
Property, plant, and equipment including right of use assets	16,467,224	16,682,048
Contract assets	38,783	33,489
Investments in associates and joint ventures	3,327,576	3,349,405
Taxation	60,187	63,596
Deferred tax	153,490	156,627
Trade and other receivables	1,925,620	1,893,237
Total non-current assets	25,421,963	25,533,103
Current assets		
Assets held for sale	287,165	283,922
Inventories	662,398	638,375
Trade and other receivables	2,865,082	2,455,811
Taxation	12,841	15,872
Cash and cash equivalents	1,079,756	595,567
Total current assets	4,907,242	3,989,548
Total assets	30,329,205	29,522,650

Azule Energy Holdings Limited
Consolidated Statement of Financial Position
As at 31 March 2026

	31 March 2026 (Unaudited) \$'000	31 December 2025 (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	3,449,083	3,598,469
Total equity	12,930,590	13,079,976
Non-current liabilities		
Loans and borrowings	3,954,130	2,609,915
Lease liabilities	3,132,396	3,216,957
Provisions for liabilities and charges	3,115,152	3,084,676
Deferred tax	2,194,350	2,184,468
Deferred income	283,539	292,733
Total non-current liabilities	12,679,567	11,388,749
Current liabilities		
Trade and other payables	2,468,922	2,572,652
Lease liabilities	1,165,348	1,209,218
Loans and borrowings	652,383	841,255
Taxation	194,736	198,384
Deferred income	31,724	28,607
Liabilities held for sale	205,935	203,809
Total current liabilities	4,719,048	5,053,925
Total liabilities	17,398,615	16,442,674
Total equity and liabilities	30,329,205	29,522,650

Azule Energy Holdings Limited
Interim Condensed Consolidated Statement of Cash Flows
For the three months ended 31 March 2026

	Three months ended 31 March 2026 (Unaudited) \$'000	Three months ended 31 March 2025 (Unaudited) \$'000
Cash inflow generated from operations	397,365	920,405
Interest received	11,502	12,995
Interest paid	(85,022)	(58,338)
Income taxes paid	(78,856)	(160,066)
Net cash generated from operating activities	244,989	714,996
Investing activities		
Purchase of Property, Plant, and Equipment and Intangibles	(441,716)	(591,673)
Purchases of other financial assets	-	(10,000)
Additions to escrow	(19,175)	(26,826)
Dividends received from Associates	74,000	116,985
Net cash used in investing activities	(386,890)	(511,514)
Financing activities		
Proceeds from bond issuance	1,500,000	1,200,000
Repayments of borrowings	(332,967)	(50,000)
Fees paid on loan borrowings	(14,488)	(12,840)
Dividends paid to shareholders	(200,000)	(218,250)
Payment of lease liability obligations	(326,454)	(251,792)
Net cash generated/(used in) financing activities	626,091	667,118
Cash and cash equivalents at start of period	595,567	503,650
Net increase/ in cash and cash equivalents	484,189	870,575
Cash and cash equivalents at end of period	1,079,756	1,374,250

Azule Energy Holdings Limited Financial Review

Financial Review Summary

		Three months ended 31 March 2026	Three months ended 31 March 2025
Production	Mboed*	216	201
Crude oil †	\$/boe	75	74
ALNG	\$/mmbtu**	11	14
EBITDA ***	\$ million	942	937
Leverage ratio ****	times	1.0	0.6

*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

**** Leverage is calculated as Net Debt / Last 12 Months EBITDA

For the first 3 months of 2026, the Group's revenue has increased \$78 million to \$944 million (2025 Q1: 866 million). This was driven by the higher volumes lifted (+1.1Mmbbls); but partially offset by impact of realization of hedging costs (\$31 million). Partner lease recoveries (recorded as other income) also increased due to additional lease contracts incurred during the year '25 (mainly drilling rigs & Agogo FPSO) compared to Q1 2025; by \$49 million in Q1 2026. Production costs displayed an increase of \$64 million compared to the 3-month 2025 period due to the difference in over lifting reversal being higher in 2025 vs 2026 coupled with higher liftings in Q1 2026 resulting in overall expense.

Depletion, depreciation and amortisation (DD&A) is derived from depreciation on property, plant and equipment (PPE) amounting to \$466 million and amortisation of right-of-use (ROU) assets of \$215 million. DD&A increased by \$129 million compared to Q1 2025, mainly due to the impact of Agogo wells coming online (Q3'25) increasing DD&A on PPE and the Agogo FPSO increasing DD&A associated with ROU assets.

Overall income from associates of \$52 million (3-months 2025: \$101 million) was significantly lower due to decreased gas prices at an average of \$11/Mmbtu (3-months 2025: \$14/Mmbtu), as well as lower volumes lifted.

Net finance costs for the period were \$152 million (3-months 2025: \$121 million) which is an increase of \$31 million. The increase has been driven mainly by lease related interest from Agogo FPSO, bond interest from the Group's 2nd bond issuance and is partially offset by interest income earned from decommissioning escrow accounts.

† The ongoing international conflict has led to significant volatility in global oil prices and broader macroeconomic uncertainty; however, Azule does not expect any material operational disruptions or adverse financial impacts on its operations.

Azule Energy Holdings Limited

Financial Review

Consolidated Statement of Financial Position

Total assets include \$11,608 million of PPE (31 December 2025: 11,682 million) and \$4,859 million of ROU assets (31 December 2025: \$5,000). The PPE decrease in the period pertains to DD&A of \$474 million and is offset by additions of \$400 million, predominantly from the continued spend for on-going capex projects (Agogo IWH, N'dungu well campaign and NGC). ROU assets decreased by \$141 million due to the DD&A of \$265 million and offset by \$124 million in additions, mostly related to a drilling rig extension. Also, included in the total assets are \$3,328 million of investments in associated companies (31 December 2025: \$3,349 million), with movements in the period including \$52 million share of profit, which is then offset by dividends received totalling \$74 million. Other intangibles increased by \$94 million mainly due to drilling within Block 2914A and Block 15/06.

Total liabilities include Loans and borrowings of \$4,607 million (31 December 2025: \$3,451 million), which includes: \$2,700 million related to senior unsecured notes issued in January 2025 (\$1,200 million) and January 2026 (\$1,500 million) and \$1,944 million relates to the Pre-Export Facility (PXF) loan arrangement, partially offset by prepaid issuance costs. During 2026, the Group fully repaid \$170 million related to the Revolving Credit Facility (RCF) facility and repaid \$163 million of the PXF. Lease liabilities amounted to \$4,298 million (31 December 2025: \$4,426 million) that decreased mainly due to lease payments totalling \$326 million and is offset by \$124 million in additions, mostly related to a drilling rig extension, and interest of \$73 million.

Consolidated Statement of Cash Flows

Net cash inflow generated from operating activities of \$245 million (3-months 2025: \$715 million) for the period ended 31 March 2026. The reduction in cash inflows generated being mainly attributable to the impact of lifting phasing, where lower liftings in 2026 resulted in lower liftings encashed in comparison to 3-months 2025.

Net cash used in investing activities for the period was \$387 million (3-months 2025: \$512 million) which was primarily outflows of \$442 million (3-months 2025: \$592 million) relating to the purchase of property, plant, and equipment and other intangible assets and \$19 million (3-months 2025: \$27 million) for contributions to the decommissioning escrow asset. These outflows are offset by \$74 million of dividends from associates (3-months 2025: \$117 million).

Net cash generated from financing activities for the period was \$626 million (3-months 2025: \$667 million) which was driven by inflows from the issuance of \$1,500 million (3-months 2025: \$1,200 million) senior unsecured notes. Offset by the repayment of loans and borrowings of \$333 million (3-months 2025: \$50 million), payments of \$326 million (3-months 2025: \$252 million) for lease liability obligations and \$200 million (3-months 2025: \$218 million) for dividends to the shareholders.