18 March 2025

Genel Energy plc
Audited results for the year ended 31 December 2024

Genel Energy plc ('Genel' or 'the Company') announces its audited results for the year ended 31 December 2024.

Paul Weir, Chief Executive of Genel, said:
"In 2024, we demonstrated further progress on our journey of building towards delivering resilient, diversified cash flows. Our shift from cash outflow in 2023 to cash generation in 2024 has been important, and in 2025 we expect the cash generated by the Tawke PSC to continue to cover our costs. We are delighted to have established a footprint in the Sultanate of Oman, through our award of an interest in Block 54. This is the first step on our roadmap to diversification.

For 2025, we remain focussed on three principal objectives: maintenance of a strong balance sheet; resilient cash generation from the core business; and the addition of new assets.

For new assets, we will seek both to increase that footprint in Oman, and also acquire assets in other preferred jurisdictions that we have identified as attractive to Genel, with a focus on adding production assets that increase the cash generation and resilience of the business, and provide potential for further growth.

In the Kurdistan Region of Iraq ('KRI') we continue to work with our peers and the Regulator towards the restart of exports on the right terms to ensure our contracts are honoured and we are paid what we are due."

Results summary ($ million unless stated)

	2024	2023
Average Brent oil price ($/bbl)	**81**	82
Average realised price per barrel	**35**	47
Production (bopd, working interest)	**19,650**	12,410
Revenue	**74.7**	78.4
Production costs	**(17.6)**	(18.0)
EBITDAX[1]	**1.1**	33.3
Operating loss	**(52.4)**	(10.3)
Cash flow from operations	**66.9**	55.1
Capital expenditure	**25.7**	68.0
Free cash flow[2]	**19.6**	(71.0)
Cash	**195.6**	363.4
Total debt	**65.8**	247.8
Net cash[3]	**130.7**	119.7
Basic LPS from continuing operations (¢ per share)	**(22.5)**	(6.1)

1. EBITDAX is operating loss adjusted for the add back of depreciation and amortisation, exploration expense, net write-off/impairment of oil and gas assets and net ECL/reversal of ECL receivables
2. Free cash flow is reconciled on page 8
3. Reported cash less IFRS debt is reconciled on page 8

Highlights

- Working interest average production increased by 58% to 19,650 bopd (2023: 12,410 bopd)
- All production sold into the domestic market at average $35/bbl consistent with prior year (2023: $47/bbl, which included export sales prices in Q1)
- Free cash flow of $20 million, compared to free cash outflow of $71 million last year
  - Tawke free cash flow generation from domestic sales was over $70 million (2023: $28 million), benefiting from some offsetting and also positive working capital movements of around $30 million
  - Organisation cost reductions were offset by non-repeating costs on arbitration, closing out unprofitable licences at Taq Taq and Sarta, and finalising exit from Qara Dagh
- Closing net cash of $131 million, an increase from $120 million at the start of the year
  - Cash of $196 million (2023: $363 million), with bond debt reduced from $248 million at the start of the year to $66 million at year-end from buybacks and partial exercise of call option
  - $107 million (under KBT pricing and excluding interest) remains overdue from the Kurdistan Regional Government ('KRG') to the Genel subsidiary Genel Energy International Limited ('GEIL') for sales made in previous years. The Company owes the KRG around $50 million. We continue to work towards a plan for payment or settlement of amounts owed, and appropriate adjustment for price and interest
  - We were disappointed that in December 2024 the subsidiary, Genel Energy Miran Bina Bawi Limited ('GEMBBL'), lost the arbitration case brought against it by the KRG regarding the Miran and Bina Bawi gas assets. As previously announced, the KRG is seeking a costs award of over $36 million against GEMBBL
- Last week, the Company announced its award of an interest in Block 54 in the Sultanate of Oman. This new country entry is an important first step towards strategic diversification of our business
- Average portfolio carbon intensity again expected to be under 14 kgCO_2e/bbl, remaining below the current target for industry average
- Climate rating: maintained a CDP Climate score of B for a third consecutive year

OUTLOOK

- With domestic sales demand at similar levels to last year and year to date this year, the Company expects cash generation from the Tawke PSC to cover its organisational costs
- The Company continues to progress towards building a business with a strong balance sheet that delivers resilient, reliable, repeatable and diversified cash flows that supports a dividend programme. The Company objectives for the year on the path to building that business include:
  - acquisition of new assets in Oman and other targeted jurisdiction to add reserves and diversify our cash generation
  - restart of exports to access international pricing
  - recovery of net amounts owed by the KRG
  - further progress towards drilling Toosan-1
- The Company has engaged Pareto Securities AS as Manager and Bookrunner to arrange fixed income investor meetings. Subject to market conditions and acceptable terms, a new senior unsecured bond issue with a tenor of five years may follow

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Genel will host a live presentation via the Investor Meet Company platform on Wednesday 19 March at 10.00 a.m. GMT. The presentation is open to all investors. Questions can be submitted pre-event via your Investor Meet Company dashboard or at any time during the live presentation. Investors can sign up to Investor Meet Company for free and add to meet Genel Energy PLC via: https://www.investormeetcompany.com/genel-energy-plc/register-investor. Investors who already follow Genel on the platform will automatically be invited.

This announcement includes inside information.

Disclaimer

This announcement contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil & gas exploration and production business. Whilst the Company believes the expectations reflected herein to be reasonable in light of the information available to them at this time, the actual outcome may be materially different owing to factors beyond the Company's control or within the Company's control where, for example, the Company decides on a change of plan or strategy. Accordingly, no reliance may be placed on the figures contained in such forward looking statements.

CEO STATEMENT

We start 2025 leaner and more efficient, and with all the building blocks necessary to establish a bigger and more successful business. Genel has a strong balance sheet and our producing fields within the Tawke PSC form a world-class asset that delivers significant cash generation even when selling at heavily discounted domestic prices because of the suspension of exports. This is a situation that we continue to work on closely with our peers and host government to resolve. Genel has a compact but highly skilled and motivated workforce, dedicated to executing our growth strategy and pursuing value accretive acquisitions that will diversify our geographical footprint within reliable and predictable jurisdictions.

In 2024, we continued with the cost reduction exercise and business efficiency improvements that began in 2022. That process extended to continuing the divestment process for non-profitable assets. Taq Taq awaits only government approval before divestment is complete, and relinquishment of our other non-producing legacy assets in the Kurdistan Region of Iraq ('KRI') will also be completed soon.

Having delivered these improvements and trimmed our debt levels to improve the capital efficiency of the business, it's time to move on to the next phase.

We are very clear on what needs to be done to deliver the appropriate Company growth and deliver the shareholder returns that are necessary for an emerging market exploration and production business. The period of consolidation and efficiency improvement in 2024 must now give way to profitable growth.

Genel is delighted to have taken the first step in its growth journey by signing an EPSA in the Sultanate of Oman with OQ Exploration & Production SAOG ('OQEP') as Operator, which will see us participate in the appraisal and development of Block 54. This will see Genel spend modestly over the next three years. The potential on the block is significant and while the eventual returns are not certain at this stage, we believe this move will lead to further exciting opportunities in the region. Oman is a jurisdiction that Genel has long considered as a very attractive place to do business and where we have been made very welcome by both our new partner and the regulator.

Back in the KRI, together with our operating partner DNO, we have helped establish a reliable and consistent domestic sales market, which generates very important cash for producers there, albeit at a heavily discounted price. Tawke production currently realises only around $35/bbl, which is well below relevant reference benchmark oil prices. With our peers in the KRI, we continue to work with our host Government and Federal Iraqi authorities to negotiate an arrangement that allows the resumption of international oil sales at international oil prices and that provides appropriate returns for those producing the oil. This has proved to be a sporadic process, but most recent indicators suggest a solution should soon be found; a solution that could double Genel revenue immediately upon implementation.

We have worked hard with DNO to ensure spend and delivery performance are optimised. The world-class field operating cost of only $4/bbl and consistent production delivery throughout 2024 are testament to the successful delivery performance of this asset.

We have put behind us the disappointment of the outcome of the arbitration on the KRG's termination of the legacy Miran and Bina Bawi licences, where the London Court of International Arbitration ruled in favour of the KRG.

We have a clear direction of travel and specific targets that we are pursuing to re-energise the business.

Outlook

The Company is focussed on delivering on three principal objectives:

Strong balance sheet

- We will retain an appropriate balance that provides protection against outlook downside scenarios and maintain debt at a level that is appropriate for the cash generation of the business

Resilient cash generation

- Realising the full potential of our existing portfolio which includes delivering performance from the Tawke licence, an asset with a long and profitable life ahead of it, and where many opportunities for further investment exist, if conditions permit.
- Continuing to work with our peers, the Kurdistan Regional Government ('KRG') and the Federal Government of Iraq ('FGI') to support the resumption of international oil sales from the KRI

Investment in new cash flows

- Acquiring the right new assets to re-energise our portfolio and deliver diversified, increased, and more resilient cash generation that will enable us to re-establish a regular long-term dividend for our shareholders
- We are also focused on establishing the right conditions to support drilling the Toosan-1 exploration well in Somaliland

OPERATING REVIEW

Reserves and resources development

Genel's proven plus probable (2P) net working interest reserves totalled 82 MMbbls (31 December 2023: 89 MMbbls) at the end of 2024.

	Remaining reserves (MMbbls)				Resources (MMboe)					
					Contingent				Prospective	
	1P		2P		1C		2C		Best	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
31 December 2023	245	63	338	89	13	3	39	10	4,580	2,964
Production	(29)	(7)	(29)	(7)	-	-	-	-	-	-
Acquisitions and disposals	-	-	-	-	-	-	-	-	-	-
Extensions and discoveries	-	-	-	-	-	-	-	-	-	-
New developments	-	-	-	-	-	-	-	-	-	-
Revision of previous estimates	-	-	-	-	-	-	-	-	43	32
31 December 2024*	**216**	**56**	**309**	**82**	**13**	**3**	**39**	**10**	**4,623**	**2,996**

** Subject to final confirmation of Tawke PSC Reserves and Resources by the Operator*

Production

Working interest average production of 19,650 bopd for the year, increased from 12,410 bopd in 2023. All Genel production in 2024 came from the Tawke PSC and was sold into the domestic market at average $35/bbl (2023: $47/bbl).

PRODUCING ASSETS

Tawke PSC (25% working interest)

Gross production from the Tawke licence averaged 78,615 bopd in 2024 (2023: 46,280 bopd), a significant improvement that demonstrates the success in establishing consistent domestic market demand and the success of the asset to meet that demand. In 2024, the Tawke PSC generated over $70 million net cash flow for Genel, benefitting both from strong domestic sales, positive working capital movements and offsetting.

Despite drilling no new wells this year, gross production from the Tawke PSC has been maintained at consistent levels. This has been achieved by careful and diligent subsurface and operations management. Three wells that were drilled last year, but not completed due to the closure of the pipeline, were brought onstream mid-year to meet demand from domestic traders. Production performance was further supported by an active well intervention programme.

In partnership with DNO, Genel continues to be part of the first Associated Gas Injection (AGI) project in the Kurdistan Region of Iraq ('KRI'). Since its inception the project has saved approximately 2.3 million tonnes of CO_2e from entering the atmosphere, with Tawke PSC carbon emissions below the industry average.

<u>Taq Taq (44% working interest, joint operator)</u>
We divested our 44% working interest in the Taq Taq production sharing contract to our joint venture partner. We have previously reported that Taq Taq had been on care and maintenance since May 2023 because the asset does not generate sufficient revenue at domestic sales prices to cover its operating costs. Furthermore, accessing the 10.3mmbbls of remaining net 2P reserves would require risking of further capital to drill new wells with uncertain outcomes – investment that ranks low on the Company's capital allocation priorities. The terms of the exit leave the Company with minimal residual financial obligations and potential liability exposures. The transaction is subject to Kurdistan Regional Government approval.

PRE-PRODUCTION ASSETS

<u>Somaliland - SL10B13 (51% working interest, Operator)</u>
We continued to work with stakeholders towards the complete framework required to support drilling the Toosan-1 exploration well. This included optimisation of the well plan to reduce cost and maximise efficiency of the well delivery process and consideration of the appropriate equity level at which to be undertaking this activity. In the meantime, our in-country team continued to work closely with our local communities. Genel's Mobile Medical Clinic project in Somaliland, which provided vital medical care for some of the poorest people in Africa, launched phase two of the project in July, with a further 17,000 cases treated to take the total cases treated to more than 35,000.

<u>Somaliland – Odewayne (50% working interest, Operator)</u>
We continued to work with our partners to characterise the prospectivity of the block, with subsurface studies ongoing. We also continued to invest in the local communities, and in February 2024 delivered educational supplies to 1,000 primary and secondary school students across the block.

<u>Morocco (Lagzira block - 75% working interest, Operator)</u>
On the Lagzira block (75% working interest and operator), we are continuing the farmout process, seeking partners to test the Banasa Prospect, high graded, having been de-risked by 2024 seismic reprocessing.

FINANCIAL REVIEW

2024 financial priorities
The table below summarises our progress against the 2024 financial priorities of the Company as set out in our 2023 results.

2024 financial priorities	Progress
Maintain business resilience and balance sheet strength	• Developed a consistent dependable income stream through the domestic sales market • Reduced cost and divested Taq Taq PSC (subject to KRG approval) • Minimised cost of remediation on Sarta and Qara Dagh PSCs • Reduced debt by $182 million, with associated decrease in interest cost • Net cash of $131 million and cash of $196 million at end of 2024
Ensure capital availability for funding of key strategic objectives	• Maintained competitive bond market pricing, indicating availability of debt capital when needed • Reduced cash levels through debt reduction to improve capital efficiency
Ensure appropriate capital allocation	• Continued reduction in organisation to match needs of the business • Deferred expenditure on non-cash generative projects • Optimised processes and systems to improve operational efficiency

Outlook and financial priorities for 2025
The key principles of our financial focus remain largely unchanged. We have a resilient business model that is designed to mitigate the impact of uncontrollable adverse events and maximise exposure to the upside. Ultimately, we seek to build a business that generates resilient, diverse and predictable cash flows that support resumption of distributions to shareholders.

Maintain business resilience, balance sheet strength and capital availability
A strong balance sheet protected by resilient cash generation is an important component of our business model. It is particularly relevant at the current time, with the lack of access to higher sales prices and higher volumes that come from exports and the delayed receipt of amounts owed to the Company. While the Iraq-Türkiye Pipeline ('ITP') remains closed, we have protected the balance sheet and resilience of the business by balancing the sources and uses of our cash flows. Actions taken to reduce costs and restructure the organisation have set us up well, with monthly organisation spend excluding the cash-generative Tawke PSC reduced to under $3 million per month.

Domestic market sales since November 2023 have seen consistent and reliable volumes and cash generation. The Tawke PSC is now well positioned to continue to deliver stable and meaningful cash flows that will be sufficient to cover our costs, and as a consequence we expect to retain net cash similar to the year end 2024 balance of $131 million. Should the pipeline open, then the subsequent establishment of regular payments would materially boost our cash generation, with the receipt of our outstanding receivable offering further significant upside.

Ensure appropriate capital allocation and deliver diversification of our cash generation
Our capital allocation priorities remain maintenance of a strong balance sheet, investment in the Tawke PSC and funding of the Company's strategic objectives in order to generate long-term value for shareholders.

The key priority within our strategic objectives is to add new assets to our portfolio with a view to diversifying our cash generation. We have a well-established process for evaluating opportunities combining rigorous technical, operational and financial analysis and multiple scenarios analysed and planned for to minimise the impact of downside risk and maximise exposure to potential upside. We will retain our discipline and ensure that any new assets offer the right characteristics and are located in the right jurisdiction to support delivery on our strategy.

Financial results for the year

(all figures $ million)	**FY 2024**	FY 2023
Brent average oil price ($/bbl)	**81**	82
Field level realised price per barrel ($/bbl)	**35**	47
Average price per working interest barrel ($/bbl)	**10**	20
Working interest production (bopd)	**19,650**	12,410
Cost oil	**35.1**	53.9
Profit oil	**39.6**	24.5
Revenue	**74.7**	78.4
Production costs	**(17.6)**	(18.0)
Production capex	**(23.0)**	(55.2)
Production business netback	**34.1**	5.2
Pre-production capex	**(2.7)**	(12.8)
G&A (excl. non-cash)	**(22.2)**	(25.0)
Net cash interest[1]	**(7.0)**	(4.2)
Net expense from discontinued operations	**(10.2)**	(12.9)
Working capital and other	**27.6**	(21.3)
Free cash flow	**19.6**	(71.0)
Dividend paid	**-**	(33.5)
Purchases of own shares	**(2.4)**	(1.8)
Purchases of own bonds	**(185.0)**	(24.9)
Net change in cash	**(167.8)**	(131.2)
Opening cash	**363.4**	494.6
Cash	**195.6**	363.4
Debt reported under IFRS	**(64.9)**	(243.7)
Net cash	**130.7**	119.7

[1] Net cash interest is bond interest payable less bank interest income (see note 5)

Production of 19,650 bopd was significantly higher than last year (2023: 12,410 bopd) as a result of the establishment of consistent domestic market demand for the full year. Domestic sales prices were broadly consistent with 2023 at around $35/bbl, but 2023 benefited from export sales in the first quarter meaning that overall average realised price was down from $47/bbl. As a result, revenue is largely unchanged at $75 million compared to $78 million last year.

Production costs of $18 million were in line with the prior year (2023: $18 million). Production capex has significantly reduced to $23 million (2023: $55 million) as a result of significantly reduced activity after the pipeline closure.

Pre-production capex of $3 million (2023: $13 million) were related to Africa assets.

Cash general and administration costs were $22 million, lower than last year (2023: $25 million) due to cost reductions.

Interest income of $16 million (2023: $21 million) and bond expense of $23 million (2023: $25 million) both decreased after bond buyback and partial exercise of call option.

Income statement figures of Sarta and Taq Taq PSCs have been disclosed as discontinued operations. Further details are provided in note 7 to the financial statements.

EBITDAX and cash flow

(all figures $ million)	**FY 2024**	FY 2023
EBITDAX	**1.1**	33.3
Interest received	**15.8**	20.6
Working capital	**50.0**	1.2
Operating cash flow	**66.9**	55.1
Producing asset cost recovered capex	**(21.7)**	(66.6)
Development capex	**-**	(22.2)
Exploration and appraisal capex	**(3.1)**	(9.7)
Interest and other	**(22.5)**	(27.6)
Free cash flow	**19.6**	(71.0)

EBITDAX of $1 million is lower than last year (2023: $33 million) as a result of arbitration cost. EBITDAX is presented in order to illustrate the cash operating profitability of the Company and excludes the impact of costs attributable to exploration activity, which tend to be one-off in nature, and the non-cash costs relating to depreciation, amortisation, impairments, write-offs.

Free cash flow is presented in order to illustrate the free cash generated for equity. Free cash flow was $20 million (2023: $71 million outflow) with the increase from last year arising from higher proceeds being received and lower capital expenditure.

Cash and debt

Cash of $196 million decreased from the start of the year (31 December 2023: $363 million) mainly as a result of $185 million bond buyback in the year. The Company monitors its cash position, cash forecasts and liquidity on a regular basis. The Company holds surplus cash in treasury bills, time deposits or liquidity funds with a number of major financial institutions. Suitability of banks is assessed using a combination of sovereign risk, credit default swap pricing and credit rating.

The nominal value of bond debt was significantly reduced to $66 million (2023: $248 million), which matures in October 2025 and has two financial covenant maintenance tests:

Financial covenant	Test	YE 2024
Equity ratio (Total equity/Total assets)	> 40%	60%
Minimum liquidity	> $30 million	$196 million

Net assets

Net assets at 31 December 2024 were $357 million (31 December 2023: $434 million) and consist primarily of oil and gas assets of $273 million (31 December 2023: $331 million), trade receivables of $85 million (31 December 2023: $93 million) and net cash of $131 million (31 December 2023: $120 million).

Going concern

The Directors have assessed that the Company's forecast liquidity provides adequate headroom over forecast expenditure for the 12 months following the signing of the annual report for the year ended 31 December 2024 and consequently that the Company is considered a going concern. Further explanation is provided in note 1 to the financial statements.

The Company has net cash of $131 million at the balance sheet date.

Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Note	2024 $m	Restated 2023 $m
Revenue	2	**74.7**	78.4
Production costs	3	**(17.6)**	(18.0)
Depreciation and amortisation of oil assets	3	**(52.1)**	(37.0)
Gross profit		**5.0**	23.4
Exploration expense	3	**(2.7)**	(0.1)
Arbitration cost	3	**(32.2)**	-
Net write-off of intangible assets	3	**-**	1.2
Reversal of expected credit loss ('ECL')/(ECL) of trade receivables	3	**1.4**	(7.6)
General and administrative costs	3	**(23.9)**	(27.2)
Operating loss		**(52.4)**	(10.3)

Operating loss is comprised of:			
EBITDAX		***1.1***	*33.3*
Depreciation and amortisation	*3*	***(52.2)***	*(37.1)*
Exploration expense	*3*	***(2.7)***	*(0.1)*
Net write-off of intangible assets	*3*	***-***	*1.2*
Reversal of ECL/(ECL) of trade receivables	*3*	***1.4***	*(7.6)*

	Note	2024 $m	Restated 2023 $m
Finance income	5	**15.8**	20.6
Bond interest expense	5	**(18.2)**	(24.8)
Net other finance expense	5	**(7.3)**	(2.4)
Loss before income tax		**(62.1)**	(16.9)
Income tax expense	6	**(0.1)**	(0.2)
Loss and total comprehensive expense from continuing operations		**(62.2)**	(17.1)
Loss from discontinued operations	7	**(14.7)**	(44.2)
Loss and total comprehensive expense		**(76.9)**	(61.3)
Attributable to:			
Owners of the parent		**(76.9)**	(61.3)
		(76.9)	(61.3)
Loss per ordinary share		**¢**	¢
From continuing operations:			
Basic	8	**(22.5)**	(6.1)
Diluted	8	**(22.5)**	(6.1)
From continuing and discontinued operations:			
Basic	8	**(27.8)**	(22.0)
Diluted	8	**(27.8)**	(22.0)
Adjusted Basic LPS[1]	8	**(27.6)**	(11.9)

[1]Adjusted basic LPS is loss and total comprehensive expense adjusted for the add back of net impairment/write-off of oil and gas assets, net ECL/reversal of ECL of receivables, and impairment loss on Taq Taq held for sale asset divided by weighted average number of ordinary shares

Previous year's figures have been restated for discontinued operation disclosure in relation to Taq Taq PSC (see note 7).

Consolidated balance sheet
At 31 December 2024

	Note	**2024 $m**	2023 $m
Assets			
Non-current assets			
Intangible assets	9	**82.3**	84.7
Property, plant and equipment	10,20	**191.1**	246.5
Trade and other receivables	11	**60.9**	66.5
		334.3	397.7
Current assets			
Trade and other receivables	11	**27.2**	34.0
Cash and cash equivalents	12	**195.6**	363.4
		222.8	397.4
Assets in disposal groups classified as held for sale	7	**41.8**	-
Total assets		**598.9**	795.1
Liabilities			
Non-current liabilities			
Trade and other payables	13,20	**(0.2)**	(0.5)
Deferred income	14	**-**	(8.2)
Provisions	15	**(25.1)**	(45.2)
Interest bearing loans	16	**-**	(243.7)
		(25.3)	(297.6)
Current liabilities			
Trade and other payables	13,20	**(109.6)**	(57.6)
Interest bearing loans	16	**(64.9)**	-
Deferred income	14	**-**	(6.0)
		(174.5)	(63.6)
Liabilities directly associated with assets in disposal groups classified as held for sale	7	**(41.8)**	-
Total liabilities		**(241.6)**	(361.2)
Net assets		**357.3**	433.9
Owners of the parent			
Share capital	18	**43.8**	43.8
Share premium		**3,863.9**	3,863.9
Accumulated losses		**(3,550.4)**	(3,473.8)
Total equity		**357.3**	433.9

Consolidated statement of changes in equity
For the year ended 31 December 2024

	Note	Share capital $m	Share premium $m	Accumulated losses $m	Total equity $m
At 1 January 2023		43.8	3,897.4	(3,413.4)	527.8
Loss and total comprehensive expense		-	-	(61.3)	(61.3)
Contributions by and distributions to owners					
Share-based payments	21	-	-	2.7	2.7
Purchase of own shares for employee share plan		-	-	(1.8)	(1.8)
Dividends provided for or paid[1]	19	-	(33.5)	-	(33.5)
At 31 December 2023 and 1 January 2024		43.8	3,863.9	(3,473.8)	433.9
Loss and total comprehensive expense		**-**	**-**	**(76.9)**	**(76.9)**
Contributions by and distributions to owners					
Share-based payments	21	**-**	**-**	**2.7**	**2.7**
Purchase of own shares for employee share plan	18	**-**	**-**	**(2.4)**	**(2.4)**
At 31 December 2024		**43.8**	**3,863.9**	**(3,550.4)**	**357.3**

[1] The Companies (Jersey) Law 1991 does not define the expression "dividend" but refers instead to "distributions". Distributions may be debited to any account or reserve of the Company (including share premium account)

Consolidated cash flow statement
For the year ended 31 December 2024

	Note	**2024**	2023
		$m	$m
Cash flows from operating activities			
Loss for the year		**(76.9)**	(61.3)
Adjustments for:			
Net finance expense	5,7	**12.1**	9.4
Taxation	6	**0.1**	0.2
Depreciation and amortisation	3,7	**52.2**	46.7
Exploration expense		**-**	0.1
Reversal of accruals and provisions	3	**(3.8)**	-
Net impairments, write-offs	3,7	**0.8**	28.1
Other non-cash items (royalty income and share-based payment cost)		**1.9**	0.8
Changes in working capital:			
Decrease in trade and other receivables		**2.5**	14.4
Increase / (decrease) in trade and other payables		**62.3**	(3.7)
Cash generated from operations		**51.2**	34.7
Interest received	5	**15.8**	20.6
Taxation paid		**(0.1)**	(0.2)
Net cash generated from operating activities		**66.9**	55.1
Cash flows from investing activities			
Additions of intangible assets		**(3.1)**	(9.7)
Additions of property, plant and equipment		**(21.7)**	(88.8)
Net cash used in investing activities		**(24.8)**	(98.5)
Cash flows from financing activities			
Dividends paid to the Company's shareholders	19	**-**	(33.5)
Purchase of own shares		**(2.4)**	(1.8)
Bond repayment	16	**(185.0)**	(24.9)
Lease payments		**(0.7)**	(2.8)
Interest paid		**(21.8)**	(24.8)
Net cash used in financing activities		**(209.9)**	(87.8)
Net decrease in cash and cash equivalents		**(167.8)**	(131.2)
Cash and cash equivalents at 1 January	12	**363.4**	494.6
Cash and cash equivalents at 31 December	12	**195.6**	363.4

Notes to the consolidated financial statements

1. Summary of material accounting policies

1.1 Basis of preparation

Genel Energy Plc – registration number: 107897 (the Company), is a public limited company incorporated and domiciled in Jersey with a listing on the London Stock Exchange. The address of its registered office is 26 New Street, St Helier, Jersey, JE2 3RA.

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and interpretations issued by the IFRS Interpretations Committee (together 'IFRS'); are prepared under the historical cost convention except as where stated; and comply with Company (Jersey) Law 1991. The material accounting policies are set out below and have been applied consistently throughout the period.

The Company prepares its financial statements on a historical cost basis, unless accounting standards require an alternate measurement basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed either in the relevant accounting policy or in the notes to the financial statements.

Items included in the financial information of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in US dollars to the nearest million ($ million) rounded to one decimal place, except where otherwise indicated.

For explanation of the key judgements and estimates made by the Company in applying the Company's accounting policies, refer to significant accounting judgements and estimates on pages 15 to 17.

Going concern

The Company regularly evaluates its financial position, cash flow forecasts and its compliance with financial covenants by considering multiple combinations of oil price, discount rates, production volumes, payments, capital and operational spend scenarios.

The Company has reported cash of $196 million, with debt of $66 million maturing in the second half of 2025 and significant headroom on both the equity ratio and minimum liquidity financial covenants.

The International Chamber of Commerce in Paris ruling in favour of Iraq in a long running arbitration case against Türkiye concerning the Iraqi-Turkish pipeline agreement signed in 1973, resulted in exports through the pipeline being suspended from 25 March 2023. As a result, the Company is currently selling in the domestic market at lower prices and lower volumes than are available from exports, with significantly reduced cash generation.

The Directors have assessed that, even with continued suspension of exports, the Company's forecast liquidity provides adequate headroom over its forecast expenditure for the 12 months following the signing of the Annual Report for the period ended 31 December 2024 and consequently that the Company is considered a going concern.

Consolidation

The consolidated financial statements consolidate the Company and its subsidiaries. These accounting policies have been adopted by all companies.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. Transactions, balances and unrealised gains on transactions between companies are eliminated.

Joint arrangements and associates

Arrangements under which the Company has contractually agreed to share control with another party, or parties, are joint ventures where the parties have rights to the net assets of the arrangement, or joint operations where the parties have rights to the assets and obligations for the liabilities relating to the arrangement.

Investments in entities over which the Company has the right to exercise significant influence but has neither control nor joint control are classified as associates and accounted for under the equity method.

The Company recognises its assets, liabilities, income and expenses relating to its interests in joint operations, including its share of assets and income held jointly and liabilities and expenses incurred jointly with other partners.

1.2 Significant accounting judgements and estimates
The preparation of the financial statements in accordance with IFRS requires the Company to make judgements and estimates that affect the reported results, assets and liabilities. Where judgements and estimates are made, there is a risk that the actual outcome could differ from the judgement or estimate made.

Significant judgements
There are no significant judgements that the Directors have made in the process of applying the Group and Company's accounting policies that require additional disclosure not already provided under significant estimates.

Significant estimates
The following are the critical estimates that the Directors have made in the process of applying the Group and Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Estimation of hydrocarbon reserves and resources and associated production profiles and costs
Estimates of hydrocarbon reserves and resources are inherently imprecise and are subject to future revision. The Company's estimation of the quantum of oil and gas reserves and resources and the timing of its production, cost and monetisation impact the Company's financial statements in a number of ways, including: testing recoverable values for impairment; the calculation of depreciation, amortisation and assessing the cost and likely timing of decommissioning activity and associated costs. This estimation also impacts the assessment of going concern and the viability statement.

Proved and probable reserves are estimates of the amount of hydrocarbons that can be economically extracted from the Company's assets. The Company estimates its reserves using standard recognised evaluation techniques which are based on Petroleum Resources Management System 2018. Assets assessed as having proven and probable reserves are generally classified as property, plant and equipment as development or producing assets and depreciated using the units of production methodology. The Company considers its best estimate for future production and quantity of oil within an asset based on a combination of internal and external evaluations and uses this as the basis of calculating depreciation and amortisation of oil and gas assets and testing for impairment under IAS 36.

Hydrocarbons that are not assessed as reserves are considered to be resources and the related assets are classified as exploration and evaluation assets. These assets are expenditures incurred before technical feasibility and commercial viability is demonstrable. Estimates of resources for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and being depleted and are likely to contain estimates and judgements with a wide range of possibilities. These assets are considered for impairment under IFRS 6.
Once a field commences production, the amount of proved reserves will be subject to future revision once additional information becomes available through, for example, the drilling of additional wells or the observation of long-term reservoir performance under producing conditions. As those fields are further developed, new information may lead to revisions.

Assessment of reserves and resources are determined using estimates of oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves. Where the Company has updated its estimated reserves and resources any required disclosure of the impact on the financial statements is provided in the following sections.

Estimation of oil and gas asset values (note 9 and 10)
Estimation of the asset value of oil and gas assets is calculated from a number of inputs that require varying degrees of estimation. Principally oil and gas assets are valued by estimating the future cash flows based on a combination of reserves and resources, costs of appraisal, development and production, production profile, climate-related risks, pipeline reopening and future sales price and discounting those cash flows at an appropriate discount rate.

Future costs of appraisal, development and production are estimated taking into account the level of development required to produce those reserves and are based on past costs, experience and data from similar assets in the region, future petroleum prices and the planned development of the asset. However, actual costs may be different from those estimated.

Discount rate is assessed by the Company using various inputs from market data, external advisers and internal calculations. A post tax nominal discount rate of 14% (2023: 14%) derived from the Company's weighted average cost of capital (WACC) is used when assessing the impairment testing of the Company's oil assets at year-end. Risking factors are also used alongside the discount rate when the Company is assessing exploration and appraisal assets.

Estimation of future oil price and netback price

The estimation of future oil price has a significant impact throughout the financial statements, primarily in relation to the estimation of the recoverable value of property, plant and equipment and intangible assets. It is also relevant to the assessment of ECL, going concern and the viability statement.

The Company's estimate of average Brent oil price for future years is based on a range of publicly available market estimates and is summarised in the table below.

$/bbl	**2024**	**2025**	**2026**	**2027**	**2028+**
Actual / Estimate	**80**	**75**	**75**	**75**	**75**
HY2024 estimate	*85*	*80*	*75*	*75*	*75*
Prior year estimate	*80*	*76*	*74*	*71*	*70*

The netback price is used to value the Company's revenue, trade receivables and its forecast cash flows used for impairment testing and viability. It is the aggregation of reference oil price average less transportation costs, handling costs and quality adjustments.

Effective from 1 September 2022, sales have been priced by the MNR under a new pricing formula based on the realised sales price for KRI blend crude ('KBT') during the delivery month, rather than on dated Brent. The Company has not agreed on this new pricing formula and continued to invoice on Brent. The Company does not have direct visibility on the components of the netback price realised for its oil because sales are managed by the KRG, but the latest payments were based on the netback price provided by the KRG. Therefore, the export revenue from 1 September 2022 was recognised in accordance with IFRS15 using KBT pricing, resulting in the recognition of $13 million less of revenue.

The export pipeline closure in March 2023 has resulted in volumes sold in the domestic market starting in June 2023 on a cash and carry basis at lower realised oil prices than previously achieved through export.

A sensitivity analysis of netback price on producing asset values has been provided in note 10. Where relevant, for estimates of future domestic sales price the Company uses $35/bbl.

The Company has also taken the change into account in its assessment of impairment reversal and considered it appropriate not to reverse any previous impairments.

Estimation of the recoverable value of trade receivables (note 11)

As of 31 December 2024, the Company is owed six months of payments for the sales from October 2022 to March 2023. Management has compared the carrying value of trade receivables with the present value of the estimated future cash flows based on a number of collection scenarios. The ECL is the weighted average of these scenarios and is recognised in the income statement. The weighting is applied based on expected repayment timing. The result of this assessment is an ECL provision of $11.7 million (31 December 2023: $14.5 million). Sensitivities of the ECL has been provided in note 11.

Decommissioning provision (note 15)

Decommissioning provisions are calculated from a number of inputs such as costs to be incurred in removing production facilities and site restoration at the end of the producing life of each field which is considered as the mid-point of a range of cost estimation. These inputs are based on the Company's best estimate of the expenditure required to settle the present obligation at the end of the period inflated at 2% (2023: 2%) and discounted at 4% (2023: 4%). 10% increase in cost estimates would increase the existing provision by c.$2 million and 1% increase in discount rate would decrease the existing provision by c.$3 million, the combined impact would be c.$1 million. The cash flows relating to the decommissioning and abandonment provision are expected to occur in 2036.

Arbitration costs award (note 13)
A subsidiary of the Group, Genel Energy Miran Bina Bawi Limited ('GEMBBL'), is expecting to receive a costs award against it relating to the arbitration claim made by the KRG. The KRG is claiming over $36 million of legal costs. GEMBBL has no way of knowing what costs award will be made and, although it considers these costs to be disproportionate and unreasonable and that the award should be significantly lower, has made a provisional accrual of $36 million.

Other estimates
The following are the other estimates that the Directors have made in the process of applying the Group and Company's accounting policies and that have effect on the amounts recognised in the financial statements.

Taxation
Under the terms of the KRI PSCs, corporate income tax due is paid on behalf of the Company by the KRG from the KRG's own share of revenues, resulting in no corporate income tax payment required or expected to be made by the Company. It is not known at what rate tax is paid, but it is estimated that the current tax rate would be between 15% and 40%. If this was known it would result in a gross up of revenue with a corresponding debit entry to taxation expense with no net impact on the income statement or on cash. In addition, it would be necessary to assess whether any deferred tax asset or liability was required to be recognised.

1.3 Accounting policies
The accounting policies adopted in preparation of these financial statements are consistent with those used in preparation of the annual financial statements for the year ended 31 December 2023.

Revenue
Revenue from contracts with customers is earned based on the entitlement mechanism under the terms of the relevant PSC.

Under IFRS 15, entitlement revenue is recognised when the control of the product is deemed to have passed to the customer, in exchange for the consideration amount determined by the terms of the contract. For exports, the control passes to the customer when the oil enters the export pipe. For domestic sales, the control passes to the customer when the oil is delivered to the trucks.

Entitlement has two components: cost oil, which is the mechanism by which the Company recovers its costs incurred on an asset, and profit oil, which is the mechanism through which profits are shared between the Company, its partners and the KRG. Profit oil revenue is always reported net of any capacity building payments that will become due.

The Company's export oil sales made to the KRG are valued at a netback price which is explained further in significant accounting estimates and judgements. The Company's domestic sales are valued at the price agreed with the domestic buyers. All production in 2024 was sold into the domestic market.

The Company is not able to measure the tax that has been paid on its behalf and consequently has not been able to assess where revenue should be reported gross of implied income tax paid.

Intangible assets
Exploration and evaluation assets
Oil and gas assets classified as exploration and evaluation assets are explained under Oil and Gas assets below.

Tawke RSA
Intangible assets include the Receivable Settlement Agreement ('RSA') effective from 1 August 2017, which was entered into in exchange for trade receivables due from KRG for Taq Taq and Tawke past sales. The RSA was recognised at cost and is amortised on a units of production basis in line with the economic lives of the rights acquired.

Property, plant and equipment
Producing and Development assets
Oil and gas assets classified as producing and development assets are explained under Oil and Gas assets below.

Oil and Gas assets
Costs incurred prior to obtaining legal rights to explore are expensed to the statement of comprehensive income. Exploration, appraisal and development expenditure is accounted for under the successful efforts method. Under the successful efforts method only costs that relate directly to the discovery and development of specific oil and gas reserves are capitalised as exploration and evaluation assets within intangible assets so long as the activity is assessed to be de-risking the asset and the Company expects continued activity on the asset into the foreseeable future. Costs of activity that do not identify oil and gas reserves are expensed.

All licence acquisition costs, geological and geophysical costs, inventories and other direct costs of exploration, evaluation and development are capitalised as intangible assets or property, plant and equipment according to their nature. Intangible assets comprise costs relating to the exploration and evaluation of properties which the Directors consider to be unevaluated until assessed as being 2P reserves and commercially viable.

Once assessed as being 2P reserves they are tested for impairment and transferred to property, plant and equipment as development assets. Where properties are appraised to have no commercial value, the associated costs are expensed as an impairment loss in the period in which the determination is made. Development assets are classified under producing assets following the commercial production commencement.

Development expenditure is accounted for in accordance with IAS 16 – Property, plant and equipment. Producing assets are depreciated once they are available for use and are depleted on a field-by-field basis using the unit of production method. The sum of carrying value and the estimated future development costs are divided by total barrels to provide a $/barrel unit depreciation cost. Changes to depreciation rates as a result of changes in forecast production and estimates of future development expenditure are reflected prospectively.

The estimated useful lives of property, plant and equipment and their residual values are reviewed on an annual basis and changes in useful lives are accounted for prospectively. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income for the relevant period.

Where exploration licences are relinquished or exited for no consideration or costs incurred are neither de-risking nor adding value to the asset, the associated costs are expensed to the income statement.

Impairment testing of oil and gas assets is considered in the context of each cash generating unit. A cash generating unit is generally a licence, with the discounted value of the future cash flows of the CGU compared to the book value of the relevant assets and liabilities.

Subsequent costs
The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The net book value of the replaced part is expensed. The costs of the day-to-day servicing and maintenance of property, plant and equipment are recognised in the statement of comprehensive income.

Assets and liabilities held for sale and discontinued operations
A part of the Company's operations is classified as a discontinued operation if the component has either been disposed of or is classified as held for sale and represents a separate major line of business or geographic area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to resale. The disposal group or asset classified as asset held for sale is measured at the lower of its carrying amount and fair value less cost to sell. Assets held for sale are presented under a separate line item within current assets and liabilities directly associated with assets held for sale are presented separately under current liabilities. Discontinued operations are excluded from the net income/loss from continuing operations and are presented as a single amount as gain/loss from discontinued operations in the consolidated statement of comprehensive income. When an operation is classified as a discontinued operation, the comparative consolidated statement of comprehensive income is restated and presented as if the operation had been classified as such from the start of the comparative year.

Financial assets and liabilities
Classification
The Company assesses the classification of its financial assets on initial recognition at amortised cost, fair value through other comprehensive income or fair value through profit and loss. The Company assesses the

classification of its financial liabilities on initial recognition at either fair value through profit and loss or amortised cost.

Recognition and measurement
Regular purchases and sales of financial assets are recognised at fair value on the trade-date – the date on which the Company commits to purchase or sell the asset. Trade and other receivables, trade and other payables and borrowings are subsequently carried at amortised cost using the effective interest method.

Trade and other receivables
Trade receivables are amounts due from crude oil sales, sales of gas or services performed in the ordinary course of business. If payment is expected within one year or less, trade receivables are classified as current assets otherwise they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss. The Company's assessment of expected credit loss model is explained below under financial assets.

Cash and cash equivalents
In the consolidated balance sheet and consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held on call with banks, other short-term highly liquid investments which are assessed as cash and cash equivalents under IAS 7 and includes the Company's share of cash held in joint operations.

Interest-bearing borrowings
Borrowings are recognised initially at fair value, net of any discount in issuance and transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. When the Company buys back its bond, the carrying amount of the liability is measured based on the repayment amount by allocating the initial transaction cost and the difference is recognised in the statement of comprehensive income.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are presented as long or short-term based on the maturity of the respective borrowings in accordance with the loan or other agreement. Borrowings with maturities of less than twelve months are classified as short-term. Amounts are classified as long-term where maturity is greater than twelve months. Where no objective evidence of maturity exists, related amounts are classified as short-term.

Trade and other payables
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Offsetting
Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Provisions
Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Company's best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material. The unwinding of any discount is recognised as finance costs in the statement of comprehensive income.

Decommissioning
Provision is made for the cost of decommissioning assets at the time when the obligation to decommission arises. Such provision represents the estimated discounted liability for costs which are expected to be incurred in removing production facilities and site restoration at the end of the producing life of each field. A corresponding cost is capitalised to property, plant and equipment and subsequently depreciated as part of the capital costs of the production facilities. Any change in the present value of the estimated expenditure attributable to changes in the estimates of the cash flow or the current estimate of the discount rate used are reflected as an adjustment to the provision and capitalised as part of the cost of the assets.

Impairment

Exploration and evaluation assets

Spend on exploration and evaluation assets is capitalised in accordance with IFRS 6. The carrying amounts of the Company's exploration and evaluation assets are reviewed at each reporting date to determine whether there is any indication of impairment under IFRS 6. Impairment assessment of exploration and evaluation assets is considered in the context of each cash generating unit, which is generally represented by relevant the licence.

Producing and Development assets

The carrying amounts of the Company's producing and development assets are reviewed at each reporting date to determine whether there is any indication of impairment or reversal of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs of disposal. For value in use, the estimated future cash flows arising from the Company's future plans for the asset are discounted to their present value using a nominal post tax discount rate that reflects market assessments of the time value of money and the risks specific to the asset. For fair value less costs of disposal, an estimation is made of the fair value of consideration that would be received to sell an asset less associated selling costs (which are assumed to be immaterial). Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (cash generating unit).

The estimated recoverable amount is then compared to the carrying value of the asset. Where the estimated recoverable amount is materially lower than the carrying value of the asset an impairment loss is recognised. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Property, plant and equipment and intangible assets

Impairment testing of oil and gas assets is explained above. When impairment indicators exist for other non-financial assets, impairment testing is performed based on the higher of value in use and fair value less costs of disposal. The Company assets' recoverable amount is determined by fair value less costs of disposal.

Financial assets

Impairment of financial assets is assessed under IFRS 9 with a forward-looking expected credit loss ('ECL') model. The standard requires the Company to book an allowance for ECL for its financial assets. The Company has assessed its trade receivables as at 31 December 2024 for ECL. Further explanation is provided in significant accounting judgements and estimates.

Equity

Share capital

Amounts subscribed for share capital at nominal value. Ordinary shares are classified as equity. When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects and is recognised as a deduction in equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are subsequently sold or reissued, the amount received is recognised as an increase in equity and the resulting surplus or deficit of the transaction is transferred to/from retained earnings.

Share premium

Amounts subscribed for share capital in excess of nominal value.

Accumulated loss

Cumulative net losses recognised in the statement of comprehensive income net of amounts recognised directly in equity.

Dividend

Liability to pay a dividend is recognised based on the declared timetable. A corresponding amount is recognised directly in equity.

Employee benefits

Short-term benefits

Short-term employee benefit obligations are expensed to the statement of comprehensive income as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The Company operates equity-settled share-based compensation plans. The expense required in accordance with IFRS 2 is recognised in the statement of comprehensive income over the vesting period of the award and partially capitalised as oil and gas assets in line with the hours incurred by the employees. The expense is determined by reference to option pricing models, principally Monte Carlo and adjusted Black-Scholes models.

At each balance sheet date, the Company revises its estimate of the number of options that are expected to become exercisable. Any revision to the original estimates is reflected in the statement of comprehensive income with a corresponding adjustment to equity immediately to the extent it relates to past service and the remainder over the rest of the vesting period.

Finance income and finance costs

Finance income comprises interest income on cash invested, foreign currency gains and the unwind of discount on any assets held at amortised cost. Interest income is recognised as it accrues, using the effective interest method.

Finance expense comprises interest expense on borrowings, foreign currency losses and discount unwind on any liabilities held at amortised cost. Borrowing costs directly attributable to the acquisition of a qualifying asset as part of the cost of that asset are capitalised over the respective assets.

Taxation

Under the terms of the KRI PSCs, the Company is not required to pay any cash corporate income taxes as explained in significant accounting judgements and estimates. Current tax expense is incurred on profits of service companies.

Segmental reporting

IFRS 8 requires the Company to disclose information about its business segments and the geographic areas in which it operates. It requires identification of business segments on the basis of internal reports that are regularly reviewed by the CEO, the chief operating decision maker, in order to allocate resources to the segment and assess its performance.

Related parties

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial or operational decisions. Parties are also related if they are subject to common control. Transactions between related parties are transfers of resources, services or obligations, regardless of whether a price is charged and are disclosed separately within the notes to the consolidated financial information.

New standards

The following new accounting standards, amendments to existing standards and interpretations are effective on 1 January 2024: Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023), Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Noncurrent (issued on 23 January 2020); Classification of Liabilities as Current or Noncurrent - Deferral of Effective Date (issued on 15 July 2020); and Non-current Liabilities with Covenants (issued on 31 October 2022), Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022). These standards did not have a material impact on the Company's results or financial statements disclosures in the current reporting period.

The following new accounting standards, amendments to existing standards and interpretations are effective on 1 January 2025 and have been endorsed in 2024: Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023). The following new accounting standards, amendments to existing standards and interpretations have been issued but are not yet effective and/or have not yet been endorsed by the EU: IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024), IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024), Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024), Annual Improvements Volume 11 (issued on 18 July 2024), Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024). Nothing has been early adopted, and these standards are not expected to have a material impact on the Company's results or financials statement disclosures in the periods they become effective except for IFRS 18 which will impact the presentation and disclosure in the financial statements.

2. Segmental information

The Company has two reportable business segments: Production and Pre-production. Capital allocation decisions for the production segment are considered in the context of the cash flows expected from the production and sale of crude oil. The production segment is comprised of the producing fields on the Tawke PSC (Tawke and Peshkabir fields) which are located in the KRI and make export sales to the KRG and domestic sales to the domestic buyers where one buyer contributed 70% of revenue, c.$50m (2023: one buyer contributed 80%, c.$30m). The pre-production segment is comprised of exploration activity, principally located in Somaliland and Morocco. 'Other' includes corporate assets, liabilities and costs, elimination of intercompany receivables and intercompany payables, which are non-segment items.

For the year ended 31 December 2024

	Production $m	Pre-production $m	Other $m	Total $m
Revenue from contracts with customers (domestic)	**74.7**	**-**	**-**	**74.7**
Cost of sales	**(69.7)**	**-**	**-**	**(69.7)**
Gross profit	**5.0**	**-**	**-**	**5.0**
Exploration expense	**-**	**(2.7)**	**-**	**(2.7)**
Arbitration fees	**-**	**-**	**(36.0)**	**(36.0)**
Reversal of accruals and provisions	**-**	**-**	**3.8**	**3.8**
Reversal of ECL of trade receivables	**1.4**	**-**	**-**	**1.4**
General and administrative costs	**-**	**-**	**(23.9)**	**(23.9)**
Operating profit / (loss)	**6.4**	**(2.7)**	**(56.1)**	**(52.4)**
Operating profit / (loss) is comprised of				
EBITDAX	**57.1**	**-**	**(56.0)**	**1.1**
Depreciation and amortisation	**(52.1)**	**-**	**(0.1)**	**(52.2)**
Reversal of ECL of trade receivables	**1.4**	**-**	**-**	**1.4**
Exploration expense	**-**	**(2.7)**	**-**	**(2.7)**
Finance income	**-**	**-**	**15.8**	**15.8**
Bond interest expense	**-**	**-**	**(18.2)**	**(18.2)**
Net other finance expense	**(1.0)**	**-**	**(6.3)**	**(7.3)**
Profit / (Loss) before income tax from continuing operations	**5.4**	**(2.7)**	**(64.8)**	**(62.1)**
Loss from discontinued operations	**(14.7)**	**-**	**-**	**(14.7)**
Loss before income tax	**(9.3)**	**(2.7)**	**(64.8)**	**(76.8)**
Capital expenditure	**23.0**	**2.7**	**-**	**25.7**
Total assets	**373.8**	**26.5**	**198.6**	**598.9**
Total liabilities	**(117.6)**	**(0.3)**	**(123.7)**	**(241.6)**

Sarta and Taq Taq PSC figures have been disclosed as discontinued operation (note 7).

Total assets and liabilities in the other segment are predominantly cash and debt balances, and includes assets and liabilities relating to Sarta, Qara Dagh, Miran and Bina Bawi PSCs which have been exited in prior years.

For the year ended 31 December 2023

	Production $m	Pre-production $m	Other $m	Total $m
Revenue from contracts with customers (export)	40.2	-	-	40.2
Revenue from contracts with customers (domestic)	38.2	-	-	38.2
Cost of sales	(55.0)	-	-	(55.0)
Gross profit	23.4	-	-	23.4
Exploration expense	-	(0.1)	-	(0.1)
Reversal of decommissioning provision	1.2	-	-	1.2
Reversal of ECL of trade receivables	4.2	-	-	4.2
ECL of trade receivables	(11.8)	-	-	(11.8)
General and administrative costs	-	-	(27.2)	(27.2)
Operating profit / (loss)	17.0	(0.1)	(27.2)	(10.3)
Operating profit / (loss) is comprised of				
EBITDAX	60.4	-	(27.1)	33.3
Depreciation and amortisation	(37.0)	-	(0.1)	(37.1)
Exploration expense	-	(0.1)	-	(0.1)
Reversal of decommissioning provision	1.2	-	-	1.2
Reversal of ECL of receivables	4.2	-	-	4.2
ECL of receivables	(11.8)	-	-	(11.8)
Finance income	-	-	20.6	20.6
Bond interest expense	-	-	(24.8)	(24.8)
Net other finance expense	(0.7)	(0.1)	(1.6)	(2.4)
Profit / (Loss) before income tax from continuing operations	16.3	(0.2)	(33.0)	(16.9)
Loss from discontinued operations	(44.2)	-	-	(44.2)
Loss before income tax	(27.9)	(0.2)	(33.0)	(61.1)
Capital expenditure	58.9	9.1	-	68.0
Total assets	412.1	26.8	356.2	795.1
Total liabilities	(91.0)	(12.0)	(258.2)	(361.2)

Sarta and Taq Taq PSC figures have been disclosed as discontinued operation (note 7).

Total assets and liabilities in the other segment are predominantly cash and debt balances.

3. Operating loss

	2024 $m	2023 $m
Production costs	**(17.6)**	(18.0)
Depreciation of oil and gas property, plant and equipment (excl. RoU assets)	**(46.6)**	(32.7)
Amortisation of oil and gas intangible assets	**(5.5)**	(4.3)
Cost of sales	**(69.7)**	(55.0)
Exploration expense	**(2.7)**	(0.1)
Net reversal of accruals and provisions	**-**	1.2
Net write-off of intangible assets	**-**	1.2
Reversal of ECL of trade receivables (note 1,11)	**1.4**	4.2
ECL of trade receivables (note 1,11)	**-**	(11.8)
Net (ECL) / reversal of ECL of receivables	**1.4**	(7.6)
Arbitration fees	**(36.0)**	-
Reversal of accruals and provisions	**3.8**	-
Arbitration cost	**(32.2)**	-
Corporate cash costs	**(13.3)**	(12.4)
Other operating costs	**(8.6)**	(13.1)
Corporate share-based payment expense	**(1.9)**	(1.6)
Depreciation and amortisation of corporate assets (excl. RoU assets)	**(0.1)**	(0.1)
General and administrative expenses	**(23.9)**	(27.2)
Auditor's remuneration:		
Audit of the Group's consolidated financial statements	**(0.4)**	(0.3)
Audit of the Group's subsidiaries pursuant to legislation	**(0.1)**	(0.1)
Total audit services	**(0.5)**	(0.4)
Interim review	**(0.1)**	(0.1)
Total audit related and non-audit services	**(0.6)**	(0.5)

All fees paid to the auditor were charged to operating loss in both years.

4. Staff costs and headcount

	2024 $m	2023 $m
Wages and salaries	**(17.4)**	(19.3)
Contractors	**(0.2)**	(13.8)
Social security costs	**(1.2)**	(1.9)
Share based payments	**(2.7)**	(3.7)
	(21.5)	(38.7)

Average headcount was:	2024 number	2023 number
Türkiye	**31**	38
KRI	**3**	23
UK	**25**	30
Somaliland	**22**	27
Contractors	**6**	84
	87	202

5. Finance expense and income

	2024	2023
	$m	$m
Bond interest	**(18.2)**	(24.8)
Loss on bond buybacks (note 16)	**(4.6)**	-
Other finance expense (non-cash)	**(2.7)**	(3.5)
Finance expense	**(25.5)**	(28.3)
Bank interest income	**15.8**	20.6
Gain on bond buyback	**-**	1.1
Finance income	**15.8**	21.7
Net finance expense	**(9.7)**	(6.6)

Bond interest payable is the cash interest cost of the Company's bond debt. Other finance expense (non-cash) primarily relates to the discount unwind on the bond and the asset retirement obligation provision.

6. Income tax expense

Current tax expense is incurred on profits of service companies. Under the terms of the KRI PSCs, the Company is not required to pay any cash corporate income taxes as explained in note 1.

7. Assets and liabilities held for sale and discontinued operations

On 24 December 2024, the Company entered into a sale agreement to dispose its share of rights, benefits, liabilities and obligations in Taq Taq PSC to its partner. The transaction is subject to Kurdistan Regional Government approval. These operations, which are expected to be sold within 12 months, have been classified as a disposal group held for sale and presented separately in the consolidated balance sheet. An impairment loss of $2.2 million has been recognised on the measurement of the disposal group to fair value less cost to sell and is included in loss from discontinued operations. The disposal constitutes a discontinued operation as it represents the disposal of a separate major line of business.

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	2024	2023
	$m	$m
Property, plant and equipment (note 1,10)	**32.5**	-
Trade receivables, net of ECL (note 11)	**9.3**	-
Assets classified as held for sale	**41.8**	-
Other payables and accruals	**4.8**	-
Deferred income (note 14)	**15.8**	-
Provisions (note 15)	**21.2**	-
Total liabilities associated with assets classified as held for sale	**41.8**	-
Net assets of disposal group	**-**	-

The fair value of the net assets is categorised as level 3 non-recurring fair value measurements as the transaction is based on unobservable inputs from the special negotiation with the joint venture partner. The transaction price has been used in determining the fair value of the net assets.

Sarta PSC was terminated on 1 December 2023. The results of the discontinued operations from Taq Taq and Sarta, which have been included in the loss for the year, were as follows:

		Restated
	2024	2023
	$m	$m
Revenue	**-**	9.2
Other revenue	**-**	0.8
Production costs	**-**	(6.9)
Depreciation of oil and gas property, plant and equipment	**-**	(7.6)
Gross loss	**-**	(4.5)
Other operating costs	**(10.5)**	(23.6)
Impairment loss on Taq Taq held for sale asset	**(2.2)**	-
Write-off of Sarta PSC property, plant and equipment (note 1,10)	**-**	(18.7)
Reversal of provisions	**-**	8.2
Reversal of ECL of trade receivables	**-**	0.4
ECL of trade receivables	**-**	(2.7)
General and administrative costs	**0.4**	(0.5)
Operating loss	**(12.3)**	(41.4)
Other finance expense (non-cash)	**(2.4)**	(2.8)
Loss from discontinued operations	**(14.7)**	(44.2)

	2024	2023
Cash flows from discontinued operations	**$m**	$m
Net cash used in operating activities	**(10.3)**	(31.0)
Net cash used in investing activities	**-**	(16.3)
Net cash used in financing activities	**-**	(2.3)

8. Loss per share

Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the parent by the weighted average number of shares in issue during the year.

	2024	2023
Loss from continuing operations ($m)	**(62.2)**	(17.1)
Loss from discontinued operations ($m)	**(14.7)**	(44.2)
Loss attributable to owners of the parent ($m)	**(76.9)**	(61.3)
Weighted average number of ordinary shares – number [1]	**276,223,685**	278,836,216
Basic loss per share – cents per share (from continuing operations)	**(22.5)**	(6.1)
Basic loss per share – cents per share (from discontinuing operations)	**(5.3)**	(15.9)
Basic loss per share – cents per share	**(27.8)**	(22.0)

[1] Excluding shares held as treasury shares and by the Employee Benefit Trust

Diluted

The Company purchases shares in the market to satisfy share plan requirements so diluted earnings per share is adjusted for performance shares, restricted shares, share options and deferred bonus plans not included in the calculation of basic earnings per share. Because the Company reported a loss for the year ended 31 December 2024 and 31 December 2023, the performance shares, restricted shares and share options are anti-dilutive and therefore diluted LPS is the same as basic LPS:

	2024	2023
Loss from continuing operations ($m)	**(62.2)**	(17.1)
Loss from discontinued operations ($m)	**(14.7)**	(44.2)
Loss attributable to owners of the parent ($m)	**(76.9)**	(61.3)
Weighted average number of ordinary shares – number[1]	**276,223,685**	278,836,216
Adjustment for performance shares, restricted shares, share options and deferred bonus plans	**-**	-
Weighted average number of ordinary shares and potential ordinary shares	**276,223,685**	278,836,216
Diluted loss per share – cents per share (from continuing operations)	**(22.5)**	(6.1)
Diluted loss per share – cents per share (from discontinuing operations)	**(5.3)**	(15.9)
Diluted loss per share – cents per share	**(27.8)**	(22.0)

[1] Excluding shares held as treasury shares and by the Employee Benefit Trust

Adjusted Basic LPS

Adjusted basic LPS is loss and total comprehensive expense adjusted for the add back of net impairment/write-off of oil and gas assets, net ECL/reversal of ECL of receivables, and impairment loss on Taq Taq held for sale asset divided by weighted average number of ordinary shares.

	2024	2023
Loss attributable to owners of the parent ($m)	**(76.9)**	(61.3)
Add back of impairment loss on Taq Taq held for sale asset	**2.2**	-
Add back of net impairment/write-off of oil and gas assets	**-**	18.2
Add back of net reversal of ECL/ECL of receivables	**(1.4)**	9.9
Loss attributable to owners of the parent ($m) - adjusted	**(76.1)**	(33.2)
Weighted average number of ordinary shares – number [1]	**276,223,685**	278,836,216
Adjusted basic LPS – cents per share	**(27.6)**	(11.9)

[1] Excluding shares held as treasury shares and by the Employee Benefit Trust

9. Intangible assets

	Exploration and evaluation assets $m	Tawke RSA $m	Other assets $m	Total $m
Cost				
At 1 January 2023[1]	12.9	128.5	7.5	148.9
Additions	9.1	-	-	9.1
Other	0.8	-	-	0.8
At 31 December 2023 and 1 January 2024	22.8	128.5	7.5	158.8
Additions	**2.7**	**-**	**-**	**2.7**
Other	**0.4**	**-**	**-**	**0.4**
At 31 December 2024	**25.9**	**128.5**	**7.5**	**161.9**
Accumulated amortisation and impairment				
At 1 January 2023[1]	-	(62.3)	(7.5)	(69.8)
Amortisation charge for the period	-	(4.3)	-	(4.3)
At 31 December 2023 and 1 January 2024	-	(66.6)	(7.5)	(74.1)
Amortisation charge for the year	**-**	**(5.5)**	**-**	**(5.5)**
At 31 December 2024	**-**	**(72.1)**	**(7.5)**	**(79.6)**
Net book value				
At 1 January 2023	12.9	66.2	-	79.1
At 31 December 2023	22.8	61.9	-	84.7
At 31 December 2024	**25.9**	**56.4**	**-**	**82.3**

Book value		**2024 $m**	2023 $m
Somaliland PSC	*Exploration*	**25.9**	22.8
Exploration and evaluation assets		**25.9**	22.8
Tawke capacity building payment waiver		**56.4**	61.9
Tawke RSA assets		**56.4**	61.9

[1]As of 1 January 2023, the cost and accumulated amortisation under the Tawke RSA intangible asset were $425.1 million and $358.9 million respectively. This has now been revised to reflect the removal of the Tawke override royalty of $296.6 million from cost and accumulated amortisation, following its expiry in 2022.

10. Property, plant and equipment

	Producing assets $m	Other assets $m	Total $m
Cost			
At 1 January 2023	3,252.2	17.6	3,269.8
Additions	58.9	-	58.9
Right-of-use assets (note 20)	-	(0.3)	(0.3)
Other[1]	2.1	-	2.1
At 31 December 2023 and 1 January 2024	3,313.2	17.3	3,330.5
Additions	**23.0**	**0.6**	**23.6**
Right-of-use assets (note 20)	**-**	**0.5**	**0.5**
Other[1]	**3.2**	**-**	**3.2**
Reclassified as held for sale (note 7)	**(2,021.3)**	**-**	**(2,021.3)**
At 31 December 2024	**1,318.1**	**18.4**	**1,336.5**
Accumulated depreciation and impairment			
At 1 January 2023	(3,007.5)	(14.2)	(3,021.7)
Depreciation charge for the year	(42.3)	(1.3)	(43.6)
Write-off	(18.7)	-	(18.7)
At 31 December 2023 and 1 January 2024	(3,068.5)	(15.5)	(3,084.0)
Depreciation charge for the year	**(46.6)**	**(1.4)**	**(48.0)**
Reclassified as held for sale (note 7)	**1,986.6**	**-**	**1,986.6**
At 31 December 2024	**(1,128.5)**	**(16.9)**	**(1,145.4)**
Net book value			
At 1 January 2023	244.7	3.4	248.1
At 31 December 2023	244.7	1.8	246.5
At 31 December 2024	**189.6**	**1.5**	**191.1**

[1] Other line includes non-cash asset retirement obligation provision and share-based payment costs.

Book value		**2024 $m**	2023 $m
Tawke PSC	*Oil production*	**189.6**	210.0
Taq Taq PSC	*Oil production*	**-**	34.7
Producing assets		**189.6**	244.7

The Company has disposed all its rights, benefits, liabilities and obligations under Taq Taq PSC to its partner which has resulted in the Taq Taq producing assets of $34.7 million being reclassified as held for sale as at 31 December 2024. Further explanation is provided in note 7.

The sensitivities below provide an indicative impact on net asset value of a change in netback price, discount rate or production, assuming no change to any other inputs.

Sensitivities	**Tawke CGU $m**
Long term netback price +/- $5/bbl	+/- 17
Discount rate +/- 1%	+/- 10
Production +/- 10%	+/- 34
Domestic sales for 1 more year	- 13

11. Trade and other receivables

	2024	2023
	$m	$m
Trade receivables – non-current	**60.9**	66.5
Trade receivables – current	**24.1**	26.4
Other receivables and prepayments	**3.1**	7.6
	88.1	100.5

At 31 December 2024, the Company is owed six months of payments (31 December 2023: five months).

	Period when sale made					
	Overdue 2023	**Overdue 2022**	**Total nominal**	**Reclassified as held for sale (note 7)**	**ECL provision**	**Trade receivables**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**
31 December 2024	**49.3**	**58.1**	**107.4**	**(10.7)**	**(11.7)**	**85.0**
31 December 2023	49.3	58.1	107.4	-	(14.5)	92.9

	2024	2023
Movement on trade receivables in the year	**$m**	$m
Carrying value at 1 January	**92.9**	117.0
Revenue from contracts with customers	**74.7**	87.6
Cash for export sales	**-**	(61.2)
Cash for domestic sales	**(74.7)**	(41.0)
Reversal of previous year's expected credit loss (note 1)	**1.4**	4.6
Expected credit loss for current year (note 1)	**-**	(14.5)
Reclassified as held for sale (note 7)	**(9.3)**	-
Capacity building payments	**-**	0.2
Sarta processing fee payments	**-**	0.2
Carrying value at 31 December	**85.0**	92.9

Recovery of the carrying value of the receivable

All trade receivables relate to export sales as the domestic sales are on a cash and carry basis. As explained in note 1, the booked nominal receivable value of $107.4 million has been recognised based on KBT due to IFRS 15 requirements and it would be $13 million higher under Brent pricing mechanism. The Company expects to recover the full value of receivables owed from the KRG under Brent pricing mechanism, but the terms of recovery are not determined yet. An explanation of the assumptions and estimates in assessing the net present value of the deferred receivables are provided in note 1.

	Total
	$m
Booked nominal balance to be recovered, net of amount reclassified to held for sale	**96.7**
Estimated net present value of total cash flows	**85.0**

Sensitivities

As set out in note 1.2 the recoverability of the overdue trade receivables is based on a number of different collection scenarios. We consider that the ultimate resolution will include full consideration of all balances between the two counterparties. A 1% increase / decrease in the discount rate would result in a c.$0.7 million change in the ECL provision. Each three-month delay in settlement would result in a c.$1 million increase in the ECL provision. A combined three-month delay and a 1% increase in the discount rate would result in a c.$1.7 million change in the ECL provision. The discount rate applied is the discount rate considered to represent the effective interest rate on this instrument.

12. Cash and cash equivalents

	2024 $m	2023 $m
Cash and cash equivalents	**195.6**	363.4
	195.6	363.4

Cash is primarily invested with major international financial institutions, in US Treasury bills or liquidity funds. $0.6 million (2023: $0.6 million) of cash is restricted.

13. Trade and other payables

	2024 $m	2023 $m
Trade payables	**20.0**	23.0
Other payables	**32.7**	2.2
Accruals	**57.1**	32.9
	109.8	58.1
Non-current	**0.2**	0.5
Current	**109.6**	57.6
	109.8	58.1

Current payables are predominantly short-term in nature and there is minimal difference between contractual cash flows related to the financial liabilities and their carrying amount. For non-current payables, liabilities are recognised at discounted fair value using the effective interest rate. Lease liabilities are included in other payables, further explanation is provided in note 20.

14. Deferred income

	2024 $m	2023 $m
Balance at 1 January	**14.2**	13.3
Interest (non-cash)	**1.6**	1.7
Royalty income (non-cash)	**-**	(0.8)
Reclassified as held for sale (note 7)	**(15.8)**	-
Balance at 31 December	**-**	14.2
Non-current (within 1-2 years)	**-**	8.2
Current	**-**	6.0
	-	14.2

Reclassification as held for sale is related to Taq Taq as explained in note 7.

15. Provisions

	2024 $m	2023 $m
Balance at 1 January	**45.2**	52.2
Interest unwind	**1.8**	1.8
Additions	**2.9**	0.7
Reclassified as held for sale (note 7)	**(21.2)**	-
Reversals	**(3.6)**	(9.5)
Balance at 31 December	**25.1**	45.2

Provisions cover expected decommissioning, abandonment and exit costs arising from the Company's assets which are further explained in note 1. Reclassification as held for sale is related to Taq Taq as a result of the transfer of the obligations as explained in note 7 and reversals are related to Miran and Bina Bawi (2023: Sarta and Qara Dagh as a result of the termination and expiry of the PSCs respectively).

16. Interest bearing loans and net cash

	1 Jan 2024 $m	Discount unwind $m	Repurchase of bond $m	Share purchase $m	Free cash flow $m	31 Dec 2024 $m
2025 Bond 9.25% (current)	**(243.7)**	**(1.6)**	**180.4**	**-**	**-**	**(64.9)**
Cash	**363.4**	**-**	**(185.0)**	**(2.4)**	**19.6**	**195.6**
Net cash	**119.7**	**(1.6)**	**(4.6)**	**(2.4)**	**19.6**	**130.7**

At 31 December 2024, the fair value of the $66 million (2023: $248 million) of bonds held by third parties is $66 million (2023: $236.5 million).

In August 2024, the Company repurchased $107 million of its senior unsecured bond at a price equal to 101.54% of the nominal amount.

In October 2024, the Company partially exercised its call option and repaid $75 million of its senior unsecured bond at a price equal to 101.85% of the nominal amount.

The bonds maturing in 2025 have two financial covenant maintenance tests:

Financial covenant	Test	YE 2024	YE 2023
Equity ratio (Total equity/Total assets)	> 40%	**60%**	55%
Minimum liquidity	> $30m	**$195.6m**	$363.4m

	1 Jan 2023 $m	Discount unwind $m	Repurchase of bond $m	Share purchase $m	Dividend paid $m	Free cash flow $m	31 Dec 2023 $m
2025 Bond 9.25% (non-current)	(266.6)	(2.7)	25.6	-	-	-	(243.7)
Cash	494.6	-	(24.9)	(1.8)	(33.5)	(71.0)	363.4
Net cash	228.0	(2.7)	0.7	(1.8)	(33.5)	(71.0)	119.7

17. Financial Risk Management

Credit risk

Credit risk arises from cash and cash equivalents, trade and other receivables and other assets. The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at 31 December was:

	2024 $m	2023 $m
Trade and other receivables	**85.6**	97.4
Cash and cash equivalents	**195.6**	363.4
	281.2	460.8

All trade receivables are owed by the KRG. Cash is deposited with major international financial institutions and the US treasury that are assessed as appropriate based on, among other things, sovereign risk, CDS pricing and credit rating.

Liquidity risk

The Company is committed to ensuring it has sufficient liquidity to meet its payables as they fall due. At 31 December 2024, the Company had cash and cash equivalents of $195.6 million (2023: $363.4 million).

Oil price risk

The Company's export revenues are calculated from netback price and domestic sales revenues are from a price established on an arms length basis as further explained in note 1, and a $5/bbl change in average price across domestic and export sales would result in a (loss) / profit before tax change of circa $7 million.

Currency risk
Other than head office costs, substantially all of the Company's transactions are denominated and/or reported in US dollars. The exposure to currency risk is therefore immaterial and accordingly no sensitivity analysis has been presented.

Interest rate risk
The Company reported borrowings of $64.9 million (2023: $243.7 million) in the form of a bond maturing in October 2025, with fixed coupon interest payable of 9.25% on the nominal value of $66 million (2023: $248 million). Although interest is fixed on existing debts, whenever the Company wishes to borrow new debt or refinance existing debt, it will be exposed to interest rate risk. A 1% increase in interest rate payable on a balance similar to the existing debts of the Company would result in an additional cost of circa $1 million per annum.

Capital management
The Company manages its capital to ensure that it remains sufficiently funded to support its business strategy and maximise shareholder value. The Company's short-term funding needs are met principally from the cash flows generated from its operations and available cash of $195.6 million (2023: $363.4 million).

Financial instruments
All financial assets and liabilities are measured at amortised cost. Due to their short-term nature except interest bearing loans and non-current portion of trade receivables, the carrying value of these financial instruments approximates their fair value. Their carrying values are as follows:

	2024	2023
Financial assets	**$m**	$m
Trade and other receivables	**85.6**	97.4
Cash and cash equivalents	**195.6**	363.4
	281.2	460.8
Financial liabilities		
Trade and other payables	**108.4**	55.9
Interest bearing loans	**64.9**	243.7
	173.3	299.6

18. Share capital

	Total Ordinary Shares
At 1 January 2023 – fully paid[1]	280,248,198
At 31 December 2023, 1 January 2024 and 31 December 2024 – fully paid[1]	**280,248,198**

[1] Ordinary shares include 845,335 (2023: 845,335) treasury shares. Share capital includes 4,067,720 (2023: 2,223,090) of trust shares. $2.4 million was paid for the shares repurchased and classified as trust shares in the year.

There have been no changes to the authorised share capital since it was determined to be 10,000,000,000 ordinary shares of £0.10 per share.

19. Dividends

	2024	2023
	$m	$m
Ordinary shares		
Final dividend (2023: 12¢ per share)	**-**	33.5
Total dividends provided for or paid	**-**	33.5
Paid in cash	**-**	33.5
Total dividends provided for or paid	**-**	33.5

20. Right-of-use assets / Lease liabilities

The Company's right-of-use assets are related to the offices and included within property, plant and equipment.

	Right-of-use assets $m
Cost	
At 1 January 2023	12.8
Disposals due to terminations	(0.3)
At 31 December 2023 and 1 January 2024	12.5
Additions	**0.5**
At 31 December 2024	**13.0**
Accumulated depreciation	
At 1 January 2023	(8.8)
Depreciation charge for the period	(2.6)
At 31 December 2023 and 1 January 2024	(11.4)
Depreciation charge for the period	**(0.7)**
At 31 December 2024	**(12.1)**
Net book value	
At 1 January 2023	4.0
At 31 December 2023	1.1
At 31 December 2024	**0.9**

Book value	**2024 $m**	2023 $m
Offices	**0.9**	1.1
Right-of-use assets	**0.9**	1.1

The weighted average lessee's incremental borrowing rate applied to the lease liabilities. The lease terms vary from one to five years.

Lease liabilities	**2024 $m**	2023 $m
At 1 January	**(1.1)**	(4.1)
Additions	**(0.5)**	-
Disposals due to terminations	**-**	0.3
Payments of lease liabilities	**0.7**	2.8
Interest expense on lease liabilities	**-**	(0.1)
At 31 December (note 13)	**(0.9)**	(1.1)

Included within lease liabilities of $0.9 million (2023: $1.1 million) are non-current lease liabilities of $0.2 million (2023: $0.5 million). The identified leases have no significant impact on the Company`s financing, bond covenants or dividend policy. The Company does not have any residual value guarantees. The contractual maturities of the Company's lease liabilities are as follows:

	Less than 1 year $m	**Between 1 - 2 years $m**	**Between 2 - 5 years $m**	**Total contractual cash flow $m**	**Carrying Amount $m**
31 December 2024	**(0.7)**	**(0.2)**	**-**	**(0.9)**	**(0.9)**
31 December 2023	(0.7)	(0.3)	(0.2)	(1.2)	(1.1)

21. Share based payments

The Company has five share-based payment plans under which awards are currently outstanding: performance share plan (2011), performance share plan (2021), restricted share plan (2011), share option plan (2011), and deferred bonus plan (2021). The main features of these share plans are set out below.

Key features	PSP (2011)	PSP (2021)	DBP (2021)	RSP (2011)	SOP (2011)
Form of awards	Performance shares. The intention is to deliver the full value of vested shares at no cost to the participant (as conditional shares or nil-cost options).	Either Performance shares or restricted shares. The intention is to deliver the full value of vested shares at no cost to the participant (as conditional shares or nil-cost options).	Deferred bonus shares. The intention is to deliver the full value of shares at no cost to the participant (as conditional shares or nil-cost options).	Restricted shares. The intention is to deliver the full value of shares at no cost to the participant (as conditional shares or nil-cost options).	Market value options. Exercise price is set equal to the average share price over a period of up to 30 days to grant.
Performance conditions	Performance conditions will apply. Awards granted from 2017 are measured against relative and absolute total shareholder return ('TSR') measured against a group of industry peers over a three-year period.	Performance conditions may or may not apply. Awards granted with performance conditions are measured against relative and absolute TSR measured against a group of industry peers over a three-year period.	Performance conditions may or may not apply. For awards granted to date, there are no performance conditions.	Performance conditions may or may not apply. For awards granted to date, there are no performance conditions.	Performance conditions may or may not apply. For awards granted to date, there are no performance conditions.
Vesting period	Awards will vest when the Remuneration Committee determines whether the performance conditions have been met at the end of the performance period.	For awards subject to performance conditions, they will vest when the Remuneration Committee determines whether the performance conditions have been met at the end of the performance period. For awards that are not subject to performance conditions, awards typically vest in tranches over three years.	Awards typically vest after two years.	Awards typically vest in tranches over three years.	Awards typically vest after three years.
Dividend equivalents	Provision of additional cash/shares to reflect dividends over the vesting period may or may not apply.	Provision of additional cash/shares to reflect dividends over the vesting period and the period where the options have vested and have not yet been exercised (where applicable) may or may not apply.	Provision of additional cash/shares to reflect dividends over the vesting period and the period where the options have vested and have not yet been exercised (where applicable) may or may not apply.	Provision of additional cash/shares to reflect dividends over the vesting period may or may not apply.	Provision of additional cash/shares to reflect dividends over the vesting period may or may not apply.

In 2024, awards were made under the performance share plan only. The numbers of outstanding shares as at 31 December 2024 are set out below:

	Share awards with performance conditions	**Share awards without performance conditions**	**Share options**	**Weighted avg. exercise price of share options**
Outstanding at 1 January 2023	8,052,865	927,960	51,265	858p
Granted during the year	2,961,900	540,834	-	-
Dividend equivalents	607,589	91,973	-	-
Forfeited during the year	(3,805,594)	-	-	-
Lapsed during the year	(191,374)	(191,768)	(26,443)	767p
Exercised during the year	(64,085)	(366,082)	(6,370)	742p
Outstanding at 31 Dec 2023 and 1 Jan 2024	7,561,301	1,002,917	18,452	1,046p
Granted during the year	4,075,827	428,066	-	-
Forfeited during the year	(2,152,140)	-	-	-
Lapsed during the year	(1,467,593)	(155,387)	(18,452)	1,046p
Exercised during the year	-	(364,428)	-	-
Outstanding at 31 December 2024	**8,017,395**	**911,168**	**-**	**-**

Fair value of awards granted during the year has been measured by use of the Monte-Carlo pricing model. The model takes into account assumptions regarding expected volatility, expected dividends and expected time to exercise. Expected volatility was also analysed with the historical volatility of FTSE-listed oil and gas producers over the three years prior to the date of grant. The expected dividend assumption was set at 0%. The risk-free interest rate incorporated into the model is based on the term structure of UK Government zero coupon bonds. The inputs into the fair value calculation for PSP awards granted in 2024 and fair values per share using the model were as follows:

	PSP (without condition) 30/04/2024	PSP 30/04/2024	PSP (without condition) 10/09/2024	PSP 10/09/2024
Share price at grant date	85p	85p	74p	74p
Fair value on measurement date	85p	52p	74p	40p
Expected life (years)	1-3	1-3	1-3	1-3
Expected dividends	-	-	-	-
Risk-free interest rate	4.45%	4.45%	3.70%	3.70%
Expected volatility	44.89%	44.89%	44.75%	44.75%
Share price at balance sheet date	66p	66p	66p	66p

The weighted average fair value for PSP awards (without condition) granted in 2024 is 85p and for PSP awards granted in 2024 is 51p.

The inputs into the fair value calculation for PSP awards granted in 2023 and fair values per share using the model were as follows:

	PSP (without condition) 06/04/2023	PSP 06/04/2023	PSP (without condition) 12/09/2023	PSP 12/09/2023
Share price at grant date	124p	124p	82p	82p
Fair value on measurement date	124p	80p	82p	43p
Expected life (years)	1-3	1-3	1-3	1-3
Expected dividends	-	-	-	-
Risk-free interest rate	3.25%	3.25%	4.73%	4.73%
Expected volatility	47.21%	47.21%	42.21%	42.21%
Share price at balance sheet date	71p	71p	71p	71p

The weighted average fair value for PSP awards (without condition) granted in 2023 is 121p and for PSP awards granted in 2023 is 80p.

Total share-based payment charge for the year was $2.7 million (2023: $3.7 million).

22. Capital commitments

Under the terms of its production sharing contracts ('PSC's) and joint operating agreements ('JOA's), the Company has certain commitments that are generally defined by activity rather than spend. The Company's capital programme for the next few years is explained in the operating review and is in excess of the activity required by its PSCs and JOAs.

23. Related parties

The Directors have identified related parties of the Company under IAS 24 as being: the shareholders; members of the Board; and members of the executive committee, together with the families and companies, associates, investments and associates controlled by or affiliated with each of them. The compensation of key management personnel including the Directors of the Company is as follows:

	2024	2023
	$m	$m
Board remuneration	**0.7**	0.7
Key management emoluments and short-term benefits	**4.0**	4.1
Share-related awards	**1.7**	2.7
	6.4	7.5

There have been no changes in related parties since last year and no related party transactions that had a material effect on financial position or performance in the year.

24. Events occurring after the reporting period

On 10 March 2025, Genel entered into Block 54 Exploration and Production Sharing Agreement in the Sultanate of Oman for a 40% participating interest, in partnering with OQ Exploration & Production SAOG ('OQEP'), who will hold a 60% participating interest and operatorship of the licence.

25. Subsidiaries and joint arrangements

The Company holds 25% working interest in Tawke PSC which is operated by DNO ASA.

For the period ended 31 December 2024 the principal subsidiaries of the Company were the following:

Entity name	**Country of Incorporation**	**Ownership % (ordinary shares)**
Barrus Petroleum Cote D'Ivoire Sarl[1]	Cote d'Ivoire	100
Barrus Petroleum Limited[2]	Isle of Man	100
Genel Energy Africa Exploration Limited[3]	UK	100
Genel Energy Finance 4 plc[3]	UK	100
Genel Energy Gas Company Limited[4]	Jersey	100
Genel Energy Holding Company Limited[4]	Jersey	100
Genel Energy International Limited[5]	Anguilla	100
Genel Energy Miran Bina Bawi Limited[3]	UK	100
Genel Energy Morocco Limited[3]	UK	100
Genel Energy No. 6 Limited[3]	UK	100
Genel Energy No. 7 Limited[3]	UK	100
Genel Energy No. 8 Limited[3]	UK	100
Genel Energy Petroleum Services Limited[3]	UK	100
Genel Energy Qara Dagh Limited[3]	UK	100
Genel Energy Sarta Limited[3]	UK	100
Genel Energy Somaliland Limited[3]	UK	100
Genel Energy UK Services Limited[3]	UK	100
Genel Energy Yönetim Hizmetleri A.Ş.[6]	Turkey	100
Taq Taq Drilling Company Limited[7]	BVI	55
Taq Taq Operating Company Limited[7]	BVI	55

[1] Registered office is 7 Boulevard Latrille, Cocody, 25 B.P. 945 Abidjan 25, Cote d'Ivoire
[2] Registered office is 6 Hope Street, Castletown, IM9 1AS, Isle of Man
[3] Registered office is Fifth Floor, 36 Broadway, Victoria, London, SW1H 0BH, United Kingdom
[4] Registered office is 26 New Street, St Helier, JE2 3RA, Jersey
[5] Registered office is PO Box 1338, Maico Building, The Valley, Anguilla
[6] Registered office is Vadi Istanbul 1 B Block, Ayazaga Mahallesi, Azerbaycan Caddesi, No:3 Floor: 18, 34396, Sariyer, Istanbul, Turkey
[7] Registered office is Kingston Chambers, P.O. Box 173, Road Town, Tortola, VG1110, British Virgin Islands

26. Annual report

Copies of the 2024 annual report will be despatched to shareholders in March 2025 and will also be available from the Company’s registered office at 26 New Street, St Helier, Jersey, JE2 3RA and at the Company’s website – www.genelenergy.com.

27. Statutory financial statements

The financial information for the year ended 31 December 2024 contained in this preliminary announcement has been audited and was approved by the Board on 17 March 2025. The financial information in this statement does not constitute the Company's statutory financial statements for the years ended 31 December 2024 or 2023. The financial information for 2024 and 2023 is derived from the statutory financial statements for 2023, which have been delivered to the Registrar of Companies, and 2024, which will be delivered to the Registrar of Companies and issued to shareholders in March 2025. The auditors have reported on the 2024 and 2023 financial statements; their report was unqualified and did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report. The statutory financial statements for 2024 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. The accounting policies (that comply with IFRS) used by Genel Energy plc are consistent with those set out in the 2023 annual report.