

WALDORF PRODUCTION

# Interim financial results (unaudited)

Q3 2023



WALDORF  
PRODUCTION



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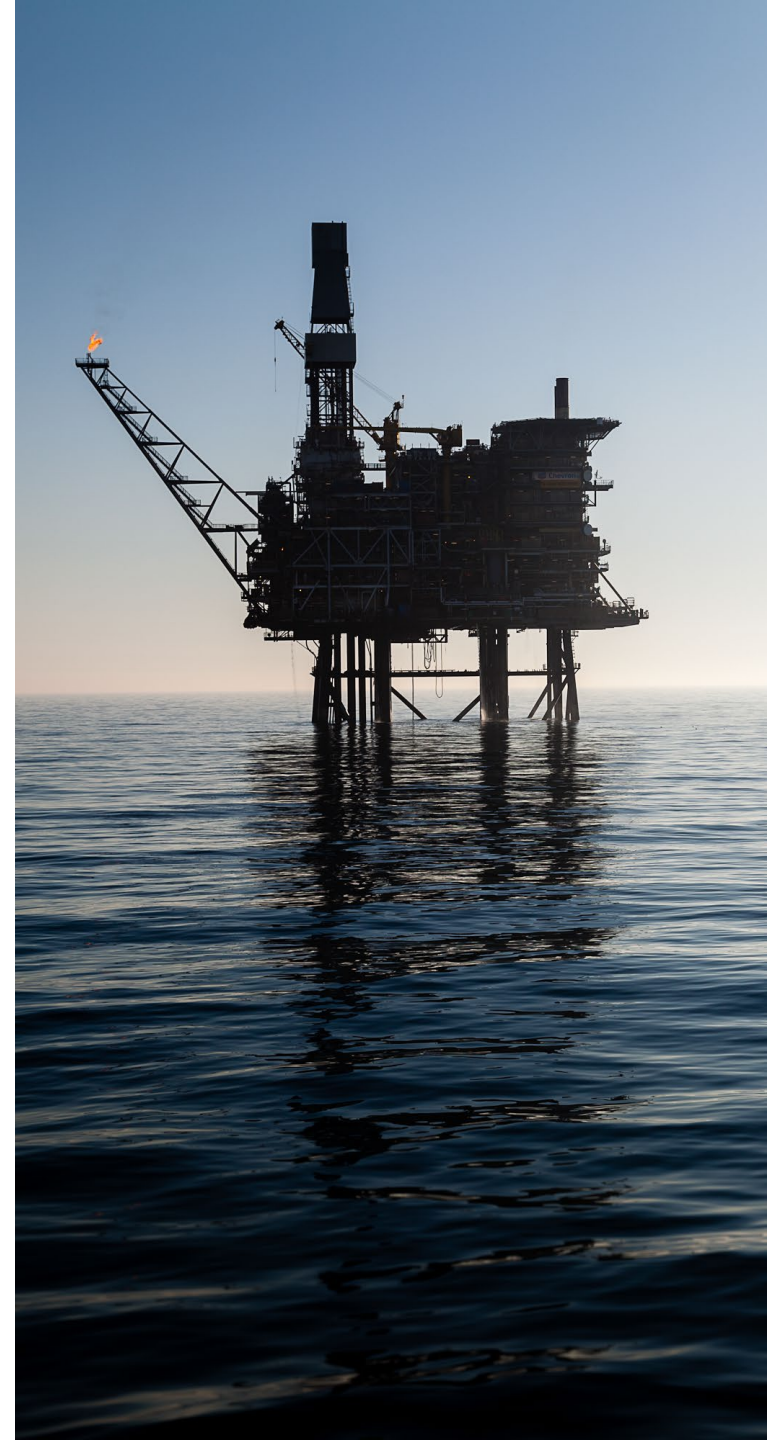
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# General information

## About Waldorf Production

Waldorf Production is a privately held independent oil and gas company headquartered in Aberdeen. Waldorf has a large diversified portfolio of oil and gas producing assets in the UK North Sea where it seeks to deliver growth through a combination of further development of its existing portfolio and new acquisitions

Further background information is available on the corporate website [www.waldorf-production.com](http://www.waldorf-production.com).

## General

Except as the context otherwise indicates, 'Waldorf', 'Waldorf Production', 'Waldorf Production Limited (Group)', 'Group', 'we', 'us', and 'our', refers to the group of companies comprising Waldorf Energy Finance plc, Waldorf Production Limited and its consolidated subsidiaries. 'Waldorf Production UK plc (Group)' refers to the group of companies comprising Waldorf Production UK plc and its consolidated subsidiaries.

The discussion in this report includes forward-looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to materially differ from those expressed or implied by the forward-looking statements. While these forward-looking statements are based on our internal expectations, estimates, projections, assumptions and beliefs as at the date of such statements or information, including, among other things, assumptions with respect to production, future capital expenditures and cash flow, we caution you that the assumptions used in the preparation of such information may prove to be incorrect and no assurance can be given that our expectations, or the assumptions underlying these expectations, will prove to be correct. Any forward-looking statements that we make in this report speak only as of the date of such statement or the date of this report.

This report contains non-GAAP and non-IFRS measures and ratios that are not required by, or presented in accordance with, any generally accepted accounting principles (GAAP) or IFRS. These non-IFRS and non-GAAP measures and ratios may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools

and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS or GAAP. Non-IFRS and non-GAAP measures and ratios are not measurements of our performance or liquidity under IFRS or GAAP and should not be considered as alternatives to operating profit or profit from continuing operations or any other performance measures derived in accordance with IFRS or GAAP or as alternatives to cash flow from operating, investing or financing activities.

These financial statements for Waldorf for the period ended 31 September 2023 have been prepared in accordance with the terms of its senior secured \$200 million bond (2023/2026 ISIN NO0012847674) and \$300 million callable bond (issue 2021/2024 ISIN NO0011100935). The financial statements and analysis has not been subject to review or audit by independent auditors.

## Glossary of terms

**boe** - barrel of oil equivalent

**boepd** - barrels of oil equivalent per day

**kboepd** - thousand barrels of oil equivalent per day

**mcf** - thousand cubic feet of natural gas

**mmbtu** - million British thermal units

**capex** - capital expenditure

**G&A** - general and administration expenses

**LOPI** - loss of production income

**opex** - operating expenditure

**9M** - nine months ended 31 September 2023

# Q3 2023 highlights

## Operations

- Q3 2023 production<sup>1</sup> of 23.3 kboepd, reflecting seasonal maintenance activity and strong performance from Catcher
- Kraken production issues resolved in August, additional production assurance in place
- Planned Catcher maintenance shutdown completed in October, safely and on schedule

## Financials

- Group post-tax operating cash flow of \$93 million in Q3 2023, EBITDA of \$112 million, supported by higher production and oil prices
- Group net debt<sup>2</sup> of \$404 million as at 30 September 2023, \$71 million of unrestricted cash
- Continued compliance with leverage and liquidity covenants for both bonds

## Outlook and other events

- Full year production guidance narrowed to 22-23 kboepd, lower expected production in Q4 due to planned shutdown at Catcher
- Q4 2023 decommissioning security top-up payments of £69 million fully funded
- Disposal of US assets completed in November
- Resolved matters with Dana on confidential terms. Having previously resolved matters with TAQA, Waldorf has no further liability in respect of the Netherlands acquisitions announced on 6 October 2022

Operational and financial highlights		Q3	Q2	YTD	FY
		2023	2023	2023	2022
<b>Waldorf Production Ltd (Group)</b>					
- Total production	boepd	23,277	22,136	24,389	29,577
- Average realised price	\$/boe	85.0	72.9	77.8	96.0
- Operating costs	\$/boe	35.2	35.3	34.5	36.0
- EBITDA	\$'M	112.5	79.8	306.7	339.7
- Operating cash flow	\$'M	93.3	74.5	332.9	504.1
- Capital expenditure	\$'M	10.0	3.3	17.2	39.9
- Unrestricted cash	\$'M	71.2	110.8	71.2	98.5
- Net debt	\$'M	403.8	336.0	-	-
- Net debt* to EBITDA	x	1.22 x	1.04x	-	-
<b>Waldorf Production UK plc (Group)</b>					
- Total production	boepd	14,366	12,466	14,517	18,247
- Average realised price	\$/boe	83.6	70.1	74.5	96.0
- Operating costs	\$/boe	37.6	37.1	36.6	36.0
- EBITDA	\$'M	89.2	38.1	197.0	322.8
- Operating cash flow	\$'M	45.0	50.9	158.5	399.2
- Capital expenditure	\$'M	0.9	0.1	3.5	33.3
- Unrestricted cash	\$'M	20.9	44.9	20.9	85.3
- Net debt	\$'M	83.8	81.1	-	89.7
- Net debt* to EBITDA	x	0.44 x	0.43 x	-	0.30 x

<sup>1</sup> Excludes US production

<sup>2</sup> Net debt and leverage as defined in bond covenant slides

# Operational review

## Overview

Waldorf delivered a good operational and financial performance in the third quarter of 2023, supported by improved production and stronger oil prices. During the period we carried out planned maintenance activities across multiple assets. We continue to work with the operators of our assets to optimise production and finalise work programmes for 2024.

Group production<sup>2</sup> in the third quarter of 2023 increased to 23.3 kboepd, from 22.1 kboepd in the second quarter, reflecting higher output from Catcher and Kraken, offset partially by lower production from the Scott and Scolty/Crathes fields and the impact of planned maintenance activities. Production excludes contribution from our US assets, which were disposed in November.

Production attributable to Waldorf Production UK plc averaged 14.4 kboepd in the third quarter of 2023, up from 12.5 kboepd in the second quarter, reflecting increased output from Catcher and Kraken.

## Catcher

At the Catcher field, production efficiency improved in the third quarter, following an unplanned outage in June. As a result, net production from Catcher averaged 14.8 kboepd in the third quarter, up from 13.2 kboepd in the second quarter.

In October, a planned maintenance shutdown was completed safely and on schedule. As a result of this planned outage, we expect average production from Catcher to be lower in the fourth quarter.

We continue to work with the operator to finalise drilling plans for new wells in 2025.

Summary of production boepd	Q3 2023	Q2 2023	9M 2023	FY 2022
<b>Waldorf Production Ltd (Group)</b>				
- Catcher <sup>1</sup>	14,763	13,246	14,663	15,285
- Kraken	5,619	4,143	5,436	8,060
- Other assets <sup>1,2</sup>	2,895	4,747	4,290	6,232
<b>Total production</b>	<b>23,277</b>	<b>22,136</b>	<b>24,389</b>	<b>29,577</b>
- Oil	22,114	20,777	23,050	27,483
- Gas	1,163	1,359	1,340	2,094
<b>Waldorf Production UK plc</b>				
- Catcher	7,381	6,623	7,332	7,643
- Kraken	5,619	4,143	5,436	8,060
- Other assets	1,366	1,700	1,749	2,544
<b>Total production</b>	<b>14,366</b>	<b>12,466</b>	<b>14,517</b>	<b>18,247</b>
- Oil	13,561	11,626	13,647	16,801
- Gas	806	840	871	1,446

<sup>1</sup> Waldorf Production Ltd includes an additional 20% of Catcher as well as interests in the Scott/Telford & Scolty/Crathes fields.

<sup>2</sup> Excludes US production

# Operational review

## Kraken

Production from the Kraken field continued to be curtailed in the third quarter, with output returning to full production following the rebuild of a failed hydraulic submersible pump transformer unit in August. A new transformer was installed in September. All other transformers will be replaced during 2024 providing additional production assurance going forward. Loss of Production Income (LOPI) insurance is expected to mitigate some of the lost revenue.

Net production from Kraken averaged 5.6 kboepd in the third quarter, up from 4.1 kboepd in the second quarter.

The operator of Kraken continues to evaluate future infill drilling locations, with a large contingent resource base providing material future growth opportunities. A rig has been contracted for 2025 to support these plans.

## Other fields

Our other fields (excluding US assets) contributed production of 2.9 kboepd in the third quarter, down from 4.7 kboepd in the second quarter. The reduction in production was mainly attributed to planned maintenance activities across multiple assets. The most significant of these was at the Scott field, which had an extended shutdown through August and September. Planned maintenance shutdowns were all completed successfully and production has resumed.

An infill well drilled earlier in the year at the Scott field is currently being completed and is expected to be brought onstream in mid-December. In the third quarter, the Scott joint venture approved key investments to help extend the economic life of the field, including the power generation upgrade project and a further infill well. Multiple additional infill wells and well interventions planned during 2024-26 are expected to materially increase production from Scott.

Output from the Alba field continues to decline due to water injection constraints caused by an issue with the main power generation unit. Water injection is expected to restart in December. An infill well at Alba commenced drilling in September, with the new well expected to be brought onstream in January 2024.

We continue to evaluate potential development of the Cheviot gas cap, along with the nearby Padon gas discovery. The Cheviot field has potential to be developed utilising existing infrastructure.

At our operated Southern North Sea assets, we continue to engage with our partners as we finalise the timing of the decommissioning programme. A rig tender process is underway.

# Financial review

## Revenue

Group revenue for the third quarter 2023 was \$133 million, comprising of oil sales of \$131 million, gas sales of \$5 million and realised derivative loss of \$3 million. The increase in revenue compared to the second quarter reflects higher production in the quarter and higher commodity prices. Sales production in the period totalled 2.1 mmbob.

The Group's average realised commodity price before hedging for the third quarter was \$85 per boe. During the quarter, commodity prices strengthened reflecting changes to OPEC supply quotas, tighter gas markets and geopolitical risks, however, average prices remain well below levels in 2022.

## Operating expenses and financial results

Group operating costs for the third quarter was \$47 million and \$35 per boe. Operating costs per boe exclude over/under-lift changes and abandonment costs incurred. Despite higher spending on Kraken in the third quarter, unit opex was unchanged compared with the second quarter due to an increase in production volumes.

Group depreciation and amortisation for the third quarter was \$68 million and \$32 per boe. The increase in depreciation and amortisation reflects higher production in the quarter.

Group general and administration expenses for the third quarter was \$4 million and slightly lower than in the previous quarter.

Group net financing expense for the third quarter was \$23 million.

The Group's tax charge for the third quarter was \$8 million, reflecting the estimated cost of the UK Energy Profits Levy, subject to revision.

The Group made a net profit for the third quarter of \$11 million.

# Financial review

## EBITDA

The Group's EBITDA for the third quarter 2023 was \$112 million, compared with \$80 million for the second quarter. The increase in EBITDA reflects higher production and stronger commodity prices in the period.

### EBITDA - Waldorf Production Limited (Group)

\$'M	Q3 2023	Q2 2023	9M 2023	FY 2022
Profit before tax	19.8	(2.7)	36.7	(44.7)
Add back:				
- Net financing	24.9	20.3	67.2	54.9
- Net impairments	-	-	-	88.7
- DD&A	67.8	62.2	202.8	240.8
<b>EBITDA</b>	<b>112.5</b>	<b>79.8</b>	<b>306.7</b>	<b>339.7</b>

Waldorf Production UK plc's EBITDA for the third quarter 2023 was \$89 million, compared with \$38 million for the second quarter. The increase in EBITDA reflects higher production and stronger commodity prices in the period.

### EBITDA - Waldorf Production UK plc (Group)

\$,000	Q3 2023	Q2 2023	9M 2023	FY 2022
Profit before tax	26.1	(19.8)	5.8	(95.4)
Add back:				
- Net financing	10.7	13.6	41.5	87.1
- Net impairments	-	-	-	79.2
- DD&A	52.4	44.3	149.7	251.9
<b>EBITDA</b>	<b>89.2</b>	<b>38.1</b>	<b>197.0</b>	<b>322.8</b>

## Cash flow

Group operating cash flow, after cash taxes, for the third quarter was \$93 million, compared with \$74 million for the second quarter. The increase in operating cash flow was due to stronger commodity prices, higher production and timing of revenue receipts.

No cash taxes were paid in the third quarter.

No dividend has been declared or paid in the third quarter.

## Capital expenditure

Group capital expenditure for the third quarter of 2023 was \$10 million, compared with \$3 million for the second quarter. Capital expenditure in the period included infill drilling, power generation upgrades and a major vessel inspection at the Scott field.

The Group incurred \$4 million of decommissioning expenditure in the third quarter.

## Other events

Following cancellation of the Netherlands acquisitions in June, we reached a resolution with Dana in November. As previously announced, an agreement was reached with TAQA in May 2023. Waldorf has no further liability in respect of the Netherlands acquisitions announced on 6 October 2022.

In November, we completed the disposal of our US assets. Net proceeds from the sale will be shared between Waldorf Production Ltd (51%) and Waldorf Production UK Plc (49%), with approximately \$2.6 million pledged and blocked as security for the bondholders under the Waldorf Energy Finance Plc bond with such funds to be applied for reinvestments in producing assets in the UK or completion of a disposal put option in accordance with the bond terms. We expect to use the funds towards capital expenditure in the UK.



# Financial review

## Risk management

The Group's policy is to reduce risk related to commodity price fluctuations through an active hedging programme. The hedging programme may include swaps and options.

While we retain good exposure to higher commodity prices during the winter period, we have taken advantage of recent increases in commodity prices and have hedged 1.6 million barrels for 2024 at a \$60/bbl strike price.

## Financing and liquidity

As at 30 September 2023, the Group's net debt<sup>1</sup> was \$404 million, compared with \$336 million at the end of the second quarter. Gross debt increased by \$29 million during the third quarter to \$475 million, due to tax liabilities becoming current. Cash at the end of the third quarter 2023 was \$305 million, of which \$71 million was unrestricted.

Group leverage, as defined by our \$200 million senior secured bond, was 1.22 times at the end of the third quarter 2023, compared with 1.04 times at the end of the second quarter. The leverage ratio and available liquidity remains comfortably within the bond's financial covenants.

As at 30 September 2023, Waldorf Production UK plc net debt<sup>1</sup> was \$84 million, compared with \$81 million at the end of the second quarter. Gross debt declined by \$39 million during the third quarter to \$105 million, reflecting scheduled debt repayments. Cash at the end of the third quarter 2023 was \$84 million, of which \$21 million was unrestricted.

Waldorf Production UK plc leverage, as defined by our \$300 million senior secured bond, was 0.44 times at the end of the third quarter 2023, compared with 0.43 times at the end of the second quarter. The leverage ratio and available liquidity remains comfortably within the bond's financial covenants.

<sup>1</sup> Net debt as defined in bond covenant slides

# Financial review

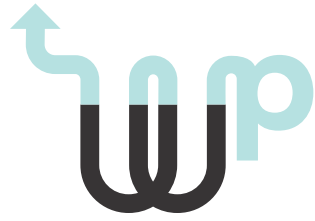
## Outlook

Our full year earnings and cash flow are expected to be supported by a combination of strong realisations, good operational performance and tight cost control. We continue to focus on enhancing near term cash flow and liquidity.

Production in the fourth quarter of 2023 is expected to be slightly lower than in the third quarter, due to a planned shutdown at Catcher in October. The successful completion of planned maintenance activity and the start-up of the Scott infill well, is expected to increase production towards the end of the year. Full year production guidance is narrowed to 22-23 kboepd.

In the fourth quarter, we expect to make decommissioning security top-up payments of £69 million. The payments reflect existing security agreements and higher inflationary assumptions embedded in forecasts. Future decommissioning security payments are expected to be lower as inflation pressures ease and the impact of the EPL is taken out.

We continue to evaluate business development opportunities in the UK North Sea offering value accretive growth.



**WALDORF**  
PRODUCTION

**Q3 2023**

Interim financial results (unaudited)

# Waldorf Production Limited (Group)

# Statement of Comprehensive Income

Statement of Comprehensive Income \$'M	Q3 2023	9M 2023	FY 2022
Revenue	132.9	427.6	691.6
Cost of sales (excl. under/overlift)	(47.0)	(155.9)	(195.4)
Under/overlift	45.4	88.2	(7.6)
DD&A	(67.8)	(202.8)	(240.8)
<b>Gross profit</b>	<b>63.5</b>	<b>157.0</b>	<b>247.6</b>
PP&E impairments	-	-	(88.7)
Admin expenses	(4.4)	(14.1)	(36.3)
Change in contingent consideration	(20.5)	(30.2)	(91.2)
<b>Operating profit</b>	<b>38.7</b>	<b>112.7</b>	<b>31.4</b>
Finance income	1.6	5.3	1.4
Finance costs	(24.3)	(77.0)	(63.8)
Foreign exchange	(2.2)	4.4	7.5
Other income/(expenses)	5.9	(8.8)	-
Revisions to decom – non-producing	0.0	0.0	(11.2)
Gain on bargain purchase	-	-	(10.0)
<b>Profit/(loss) before tax</b>	<b>19.8</b>	<b>36.7</b>	<b>(44.7)</b>
Tax	(8.4)	(83.5)	(90.5)
<b>Net profit/(loss)</b>	<b>11.4</b>	<b>(46.8)</b>	<b>(135.3)</b>

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# Statement of Financial Position

## Assets

\$'M	Sep-23	Dec-22
Cash and cash equivalent	71.2	98.5
Restricted cash	234.3	270.4
Trade and other receivables	11.5	95.4
Underlift	88.6	24.2
Inventory and cash (JV)	18.8	17.1
Intercompany receivables	50.5	48.6
Derivative financial instruments	-	2.8
Other current assets	51.8	2.0
<b>Current assets</b>	<b>526.7</b>	<b>559.0</b>
Oil and Gas properties	1,280.5	1,447.0
Goodwill	89.0	89.0
<b>Non-current assets</b>	<b>1,369.5</b>	<b>1,536.0</b>
<b>Total assets</b>	<b>1,896.2</b>	<b>2,095.0</b>

## Liabilities and equity

\$'M	Sep-23	Dec-22
Trade and other payables	68.7	97.6
Overlift	3.3	27.5
Accruals	18.2	42.5
Bonds	139.0	100.0
Contingent payment	117.7	227.7
Deferred payment	45.0	45.0
Derivative financial instruments	-	15.7
Provision for liabilities (S/T)	5.4	7.8
FPSO Liability (S/T)	110.2	87.7
Current tax	132.1	55.8
Other current liabilities	42.8	-
<b>Current liabilities</b>	<b>682.6</b>	<b>707.2</b>
Trade and other payables	-	0.5
Provisions for liabilities	639.6	633.6
Contingent payment	120.8	212.3
Deferred payment	38.5	44.8
Deferred tax	178.4	151.8
FPSO Liability	258.1	335.5
Bonds	112.7	72.2
<b>Non-current liabilities</b>	<b>1,348.0</b>	<b>1,450.7</b>
Equity	(134.4)	(62.9)
<b>Total liabilities and equity</b>	<b>1,896.2</b>	<b>2,095.0</b>

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# Cash flow Statement

Cash flow Statement \$'M	Q3 2023	9M 2023	FY 2022
<b>Cash flow from Operating Activities</b>			
Cash revenue	136.3	528.6	691.6
Hedging outflow	(6.8)	(15.7)	(15.0)
Operating cash expenditure	(36.2)	(180.1)	(172.4)
<b>Cash generated from operating activities</b>	<b>93.3</b>	<b>332.9</b>	<b>504.1</b>
<b>Investing Activities</b>			
Business combination	(10.3)	(257.3)	(146.1)
Purchase of PP&E	(10.0)	(17.2)	(39.9)
<b>Net cash used in investing activities</b>	<b>(20.3)</b>	<b>(274.5)</b>	<b>(186.0)</b>
<b>Financing Activities</b>			
Repayment of bonds	(25.0)	(75.0)	(100.0)
New bond raise	-	139.7	-
Payment of interest	(8.1)	(25.8)	(23.2)
Distributions	-	-	(76.0)
Restricted cash funding	-	-	(18.3)
Barclays working capital facility	(27.7)	15.1	27.8
Shell credit facility	(23.0)	(38.9)	8.6
Intercompany funding	-	(15.0)	-
Payment of lease liabilities	(28.7)	(85.7)	(91.9)
<b>Net cash generated from/(used in) financing activities</b>	<b>(112.5)</b>	<b>(85.7)</b>	<b>(272.9)</b>
<b>Net increase / (decrease) in cash</b>	<b>(39.6)</b>	<b>(27.3)</b>	<b>45.2</b>
Unrestricted cash at the beginning of period	110.8	98.5	53.4
<b>Unrestricted cash at the end of period</b>	<b>71.2</b>	<b>71.2</b>	<b>98.5</b>

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# Covenants

## Covenants related to the Senior Secured USD 200,000,000 Bonds 2023/2026 ISIN NO0012847674

(a) Maintain a Leverage Ratio not exceeding 2.00:1 for the Group

Net Debt / EBITDA - Waldorf Production Limited (Group) \$'M	12 months to Sep-23
Profit before tax	(68.5)
Add back:	
- Net financing	51.3
- Net impairments	88.7
- DD&A	258.4
<b>EBITDA</b>	<b>329.9</b>

EBITDA - Waldorf Production Limited (Group) \$'M	12 months to Sep-23
Net Debt*	403.8
EBITDA (1 Oct 22 - 30 Sep 23)	329.9
<b>Net Debt : EBITDA Test</b>	<b>1.22 x</b>

(b) maintain minimum Liquidity not lower than USD 20,000,000 (or the equivalent in other currencies)

Liquidity test - Waldorf Production Limited (Group) \$'M	Sep-23
Unrestricted cash	71.2
Unrestricted cash held by Waldorf Production UK plc	(20.9)
Minimum liquidity	(20.0)
<b>Headroom on liquidity test</b>	<b>30.3</b>

\*Net Debt includes bond debt, Shell facility, deferred M&A payments & current tax liabilities less available cash



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Q3 2023

Interim financial results (unaudited)

# Waldorf Production UK plc (Group)



# Statement of Comprehensive Income

Statement of Comprehensive Income \$'M	Q3 2023	9M 2023	FY 2022
Revenue	79.0	239.8	578.1
Cost of sales (excl. under/overlift)	(27.4)	(93.0)	(138.6)
Under/overlift	34.4	56.8	(0.6)
DD&A	(52.4)	(149.7)	(251.9)
<b>Gross profit</b>	<b>33.6</b>	<b>53.9</b>	<b>187.0</b>
PP&E impairments	-	-	(79.2)
Admin expenses	(2.6)	(8.5)	(30.3)
Change in contingent consideration	(0.0)	(4.2)	(88.3)
<b>Operating loss</b>	<b>31.0</b>	<b>41.2</b>	<b>(10.8)</b>
Finance income	0.1	1.2	0.7
Finance costs	(12.2)	(42.9)	(91.8)
Foreign exchange	1.3	0.2	4.0
Other income/(expenses)	5.9	6.1	1.4
Revisions to decom – non-producing	-	-	1.1
<b>Profit/(loss) before tax</b>	<b>26.1</b>	<b>5.8</b>	<b>(95.4)</b>
Tax	(10.9)	(48.5)	(73.6)
<b>Net profit/(loss)</b>	<b>15.3</b>	<b>(42.7)</b>	<b>(169.0)</b>

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# Statement of Financial Position

Assets	Sep-23	Dec-22
\$'M		
Cash and cash equivalent	20.9	85.3
Restricted cash	62.8	101.8
Trade and other receivables	6.7	54.2
Underlift	53.6	20.3
Inventory and cash (JV)	12.1	10.6
Intercompany receivables	26.2	114.8
Derviative financial instruments	-	2.8
Other current assets	43.4	3.9
<b>Current assets</b>	<b>225.7</b>	<b>393.5</b>
Oil and Gas properties	672.9	820.5
Investments	43.7	38.8
<b>Non-current assets</b>	<b>716.6</b>	<b>859.2</b>
<b>Total assets</b>	<b>942.2</b>	<b>1,252.7</b>

Liabilities and equity	Sep-23	Dec-22
\$'M		
Trade and other payables	29.8	44.0
Overlift	3.2	26.7
Accruals	19.8	28.1
Bonds	100.0	100.0
Contingent payment	59.0	134.4
Derviative financial instruments	-	15.7
ARO Liability (S/T)	-	1.2
FPSO Liability (S/T)	79.5	81.3
Current tax	92.1	51.0
Other current liabilities	22.9	27.7
<b>Current liabilities</b>	<b>406.3</b>	<b>510.0</b>
ARO Liability	294.0	294.9
Contingent payment	46.2	101.0
Deferred Tax	57.4	57.4
FPSO Liability	172.6	211.0
Bonds	-	75.0
<b>Non-current liabilities</b>	<b>570.2</b>	<b>739.2</b>
Equity	(34.3)	3.5
<b>Total liabilities and equity</b>	<b>942.2</b>	<b>1,252.7</b>

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# Cash flow Statement

Cash flow Statement \$'M	Q3 2023	9M 2023	FY 2022
<b>Cash flow from Operating Activities</b>			
Cash revenue	79.4	297.8	578.1
Hedging outflow	(6.8)	(15.7)	(15.0)
Operating cash expenditure	(27.6)	(123.6)	(163.8)
<b>Cash generated from operating activities</b>	<b>45.0</b>	<b>158.5</b>	<b>399.2</b>
<b>Investing Activities</b>			
Business combination	-	(138.7)	(77.2)
Purchase of PP&E	(0.9)	(3.5)	(30.8)
<b>Net cash used in investing activities</b>	<b>(0.9)</b>	<b>(142.2)</b>	<b>(108.0)</b>
<b>Financing Activities</b>			
Repayment of bonds	(25.0)	(75.0)	(100.0)
Payment of interest	(3.4)	(15.3)	(23.2)
Distributions	-	-	(76.0)
Restricted cash funding	-	-	(1.8)
Barclays working capital facility	(15.6)	(4.9)	27.8
Shell credit facility	(14.3)	(24.2)	(9.0)
Intercompany funding	11.6	99.6	-
Payment of lease liabilities	(20.4)	(60.9)	(77.1)
<b>Net cash generated from/(used in) financing activities</b>	<b>(67.1)</b>	<b>(80.7)</b>	<b>(259.2)</b>
<b>Net increase / (decrease) in cash</b>	<b>(23.0)</b>	<b>(64.4)</b>	<b>32.0</b>
Unrestricted cash at the beginning of period	43.9	85.3	53.3
<b>Unrestricted cash at the end of period</b>	<b>20.9</b>	<b>20.9</b>	<b>85.3</b>

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# Covenants

## Covenants related to the Senior Secured USD 300,000,000 callable bond issue 2021/2024 ISIN NO0011100935

(a) the ratio of Total Net Debt to EBITDA at all times is less than 2.00:1

Net Debt / EBITDA - Waldorf Production UK plc (Group) \$'M	12 months to Sep-23
Profit before tax	(150.1)
Add back:	
- Net financing	42.9
- Net impairments	79.2
- DD&A	216.4
<b>EBITDA</b>	<b>188.4</b>

EBITDA - Waldorf Production UK plc (Group) \$'M	12 months to Sep-23
Net Debt*	83.8
EBITDA (1 Oct 22 - 30 Sep 23)	188.4
<b>Net Debt : EBITDA Test</b>	<b>0.44 x</b>

(b) the Liquidity at all times is not less than USD 20,000,000 (or its equivalent in other currencies).

Liquidity test - Waldorf Production UK plc (Group) \$'M	Sep-23
Unrestricted cash	20.9
Minimum liquidity	(20.0)
<b>Headroom on liquidity test</b>	<b>0.9</b>

\*Net Debt includes bond debt & Shell facility less available cash



**WALDORF**  
PRODUCTION

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# Waldorf Production Limited

# Statement of Comprehensive Income & Statement of Financial Position

Statement of Comprehensive Income \$'M	Q3 2023	9M 2023	FY 2022
Admin expenses	(0.8)	(3.2)	(2.2)
Change in contingent consideration	(20.5)	(26.0)	-
<b>Operating loss</b>	<b>(21.3)</b>	<b>(29.1)</b>	<b>(2.2)</b>
Finance income	0.2	0.5	-
Finance costs	(0.7)	(3.2)	(0.2)
Foreign exchange	(1.2)	0.1	0.1
Other income/(expenses)	-	(5.0)	76.0
<b>Net profit/(loss)</b>	<b>(23.0)</b>	<b>(36.7)</b>	<b>73.7</b>

Assets \$'M	Sep-23	Dec-22
Cash and cash equivalent	44.5	5.1
Trade and other receivables	26.6	-
Intercompany receivables	-	77.6
<b>Current assets</b>	<b>71.1</b>	<b>82.7</b>
Investments	227.1	227.1
<b>Non-current assets</b>	<b>227.1</b>	<b>227.1</b>
<b>Total assets</b>	<b>298.2</b>	<b>309.8</b>

Liabilities and equity \$'M	Sep-23	Dec-22
Trade and other payables	69.5	62.7
Intercompany payables	81.6	-
Contingent payment	58.8	93.3
<b>Current liabilities</b>	<b>209.8</b>	<b>155.9</b>
Trade and other payables	38.5	44.8
Contingent payment	74.6	111.3
<b>Non-current liabilities</b>	<b>113.0</b>	<b>156.1</b>
Equity	(24.6)	(2.3)
<b>Total liabilities and equity</b>	<b>298.2</b>	<b>309.8</b>

Interim financial  
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# Cash flow Statement

Cash flow Statement	Q3	9M	FY
\$'M	2023	2023	2022
<b>Cash flow from Operating Activities</b>			
Cash generated from operating activities	23.4	131.6	74.1
<b>Investing Activities</b>			
Business combination	(10.3)	(108.6)	(69.0)
<b>Net cash used in investing activities</b>	<b>(10.3)</b>	<b>(108.6)</b>	<b>(69.0)</b>
<b>Financing Activities</b>			
Barclays working capital facility	(12.1)	19.9	-
Shell credit facility	(8.7)	(14.7)	-
Intercompany funding	(4.5)	12.6	-
Payment of interest	(0.3)	(1.5)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(25.6)</b>	<b>16.3</b>	-
<b>Net increase / (decrease) in cash</b>	<b>(12.5)</b>	<b>39.4</b>	<b>5.1</b>
Unrestricted cash at the beginning of period	57.0	5.1	-
<b>Unrestricted cash at the end of period</b>	<b>44.5</b>	<b>44.5</b>	<b>5.1</b>

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# Waldorf Energy Finance plc



# Statement of Comprehensive Income & Statement of Financial Position

Statement of Comprehensive Income	Q3	9M	FY
\$'M	2023	2023	2022
Finance costs	(5.6)	(13.3)	-
<b>Net loss</b>	<b>(5.6)</b>	<b>(13.3)</b>	-

Assets	Sep-23	Dec-22
\$'M		
Intercompany receivables	130.3	-
Other current assets	7.9	-
<b>Current assets</b>	<b>138.2</b>	-
<b>Total assets</b>	<b>138.2</b>	-

Liabilities and equity	Sep-23	Dec-22
\$'M		
Bonds	39.0	-
<b>Current liabilities</b>	<b>39.0</b>	-
Bonds	112.5	-
<b>Non-current liabilities</b>	<b>112.5</b>	-
Equity	(13.3)	-
<b>Total liabilities and equity</b>	<b>138.2</b>	-

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# Cash flow Statement

Cash flow Statement \$'M	Q3 2023	9M 2023	FY 2022
<b>Cash flow from Operating Activities</b>			
Cash (Absorbed by) / generated from operations	-	-	-
<b>Investing Activities</b>			
Net cash used in investing activities	-	-	-
<b>Financing Activities</b>			
Proceeds from bond issuance	-	139.6	-
Payment of interest	(4.5)	(9.0)	-
Intercompany funding	4.5	(130.6)	-
<b>Net cash generated from/(used in) financing activities</b>	-	-	-
<b>Net increase / (decrease) in cash</b>	-	-	-
Unrestricted Cash at the beginning of period	-	-	-
<b>Unrestricted Cash at the end of period</b>	-	-	-

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