

ISSUER

WALDORF ENERGY FINANCE PLC

11 November 2024

Reference is made to the announcements by Waldorf Energy Finance plc (the “**Company**”) (the Company together with the wider Waldorf group as the “**Group**”) and Waldorf Production UK plc (“**WPUK**”) on 27 June 2024 regarding a refinancing of the WPUK’s bond issue Waldorf Production UK plc Senior Secured Bond Issue 2021/2025 with ISIN NO0011100935 (together with ISIN NO0013280206, the “**WPUK Bonds**”), proposed new liquidity funding under the WPUK Bonds and a proposed forbearance agreement with the bondholders under the Company’s bond issue Waldorf Energy Finance plc Senior Secured Bond Issue 2023/2026 with ISIN NO0012847674, ISIN NO0013255489 and ISIN NO0013255497 (the “**WEF Bonds**”) (together, the “**Refinancing**”) and the announcements by the Company and WPUK on 24 July 2024 confirming that the Refinancing had completed.

Whilst the Refinancing put the main operating companies of the Group on a stable financial footing for a 12 month period, its terms included tight controls on the Group’s ability to manage its cash on an intragroup basis.

Since that time, delayed start-ups from planned shutdowns for certain assets and lower than anticipated oil prices have led to reduced Group revenues during H2 2024. As of 7 November 2024, year to date average Group production stood at c.19.5k boepd.

In the ordinary course of business, the Group is required to make decommissioning postings towards the end of the fiscal year, with any related refunds due being payable after the fiscal year end in Q1 of the following year. As part of these decommissioning postings, the net additional cash collateralisation required under the Group’s decommissioning and other cost security agreements (“**Postings**”) has increased, largely due to higher than expected abandonment cost estimates.

Due to a timing mismatch for certain of the Group’s entities’ Postings, there is currently a need to put in place a USD 15 million intra-group loan using existing group funds from WPUK to Waldorf CNS (I) Limited (“**WPUK Loan**”), both of which are indirect subsidiaries of the Company’s ultimate parent, Waldorf Production Limited (“**WPL**”).

The terms of the current WPUK Bonds and the WEF Bonds restrict such intragroup movement of cash within the Group and in order to allow the Group to efficiently manage its group cash to align with certain decommissioning liabilities, the Company is now seeking the required consents to effect such intercompany loan.

To further support liquidity, the Group is in discussions with relevant joint venture partners to defer some Postings (due mainly in late November) to better align with the DSA refunds expected to be received in February.

The Company and WPUK are seeking consent from the relevant groups of bondholders for:

- the WPUK Loan; and
- a short-term waiver of the minimum liquidity covenants under WPUK Bonds and the WEF Bonds.

As at the date of these summons, the Group has already received support for these amendments from 85% of bondholders of the WPUK Bonds and 33% of the bondholders of the WEF Bonds.

Reference is also made to the announcements by the Company and WPUK on 4 June 2024 regarding the appointment of joint administrators of Waldorf Energy Partners Limited and WPL (the "**Joint Administrators**"). Further information about the plans which the Joint Administrators have for WPL can be found at <https://www.ia-insolv.com/case+INTERPATH+WO61040147.html>.

For further information, please contact:

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