valeura energy

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Consolidated Financial Statements

(Audited)

For the Year Ended December 31, 2024
Dated March 25, 2025

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MANAGEMENT'S REPORT

The management of Valeura Energy Inc. is responsible for the preparation of all information included in the consolidated financial statements and Management's Discussion & Analysis ("MD&A"). The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). Financial information that is presented in the MD&A is consistent with the consolidated financial statements.

In preparation of the consolidated financial statements, estimates are sometimes necessary because a precise determination of certain assets and liabilities is dependent on future events. Management believes such estimates have been based on careful judgements and have been presented fairly in all material respects.

Management maintains appropriate systems of internal control that provide reasonable assurance that transactions are appropriately authorised, assets are safeguarded from loss or unauthorised use and financial records provide reliable and accurate information for the presentation of the consolidated financial statements.

Deloitte & Touche LLP, an independent firm of chartered accountants, was appointed by the shareholders to audit the consolidated financial statements of Valeura Energy Inc. and provide an independent audit opinion. Their report is presented with the consolidated financial statements herein.

The Board of Directors, through its Audit Committee, has reviewed the consolidated financial statements including notes thereto with management and Deloitte & Touche LLP. The Audit Committee is composed of independent directors. Valeura Energy Inc.'s Board of Directors has approved the consolidated financial statements based on the recommendation of the Audit Committee.

(signed) Sean Guest
President and CEO

(signed) Yacine Ben-Meriem
CFO

March 25, 2025

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Valeura Energy Inc.

Opinion

We have audited the accompanying consolidated financial statements of Valeura Energy Inc. (the "Company"), which comprise the consolidated statements of financial position of the Company as at December 31, 2024 and 2023, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows of the Company for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying consolidated financial statements of the Company present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How the matter was addressed in our audit*
Impairment risk over oil and gas properties As at December 31, 2024, the Company has oil and gas properties amounting to US$233.2 million, which in aggregate approximate 27.2% of the Company's total assets. Management performed impairment assessment by assessing the recoverability of its oil and gas properties based on discounted future cash flows from the respective oil and gas properties as at December 31, 2024. They had also engaged independent qualified persons to estimate, where appropriate, the proved, probable and possible reserves for its oil and gas properties, including the future net cash flows arising from such. The assessment requires the exercise of significant judgement about and assumptions on, amongst others, the discount rate, oil reserves, expected production volumes and future oil prices, taking into considerations external or internal factors that could indicate an impairment. Based on management's assessment as at December 31, 2024, there was no impairment required as the recoverable amounts of the oil and gas properties were in excess of their carrying amounts. The Company has made disclosures on the above judgement and estimates in Note 2, and further disclosures in Note 10 to the consolidated financial statements.	We have performed, amongst others, the following key audit procedures: • Assessed the design and determined the implementation of management's relevant controls with respect to the assessment of the recoverability of its oil and gas properties in accordance with IFRS Accounting Standards; • Reviewed the reserve reports prepared by independent qualified persons relating to the Company's estimated oil reserves, including involvement of an internal reserve specialist as part of our engagement team to discuss with management's experts and challenge, where appropriate, the key assumptions and methodology used by management's experts to estimate the reserves; • Assessed the objectivity, competency and experience of the independent qualified persons who prepared the reserve reports; • Reviewed management's discounted cash flow calculations and assumptions used to assess the value-in-use of the respective oil and gas properties, including reviewing the accuracy of the data used by management in the cash flow model; • Checked management's budget and plan for the assets, including the funding options for future capital expenditures; • Reviewed the appropriateness of the oil price assumptions used in the cash flow model against external data; and • Involved our valuation specialists in challenging management's assumptions on key data used in their computation of the discount rate(s). We have further assessed the adequacy of the Company's disclosures that have been set out in Note 10 to the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Deloitte & Touche LLP (Unique Entity No. T08LL0721A) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yang Chi Chih.

Public Accountants and
Chartered Accountants
Singapore

March 25, 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In US$'000	Note	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents		236,543	133,866
Restricted cash	6	1,093	17,299
Trade and other receivables	7	38,437	66,067
Inventory	8	59,264	65,198
Prepaid expenses and deposits		5,574	11,125
Total current assets		**340,911**	**293,555**
Non-current assets			
Restricted cash	6	21,718	-
Exploration and evaluation assets	9	8,075	2,379
Property, plant and equipment	10	264,425	326,569
Right-of-use assets	11	71,492	81,811
Deferred tax assets	16	150,689	-
Total non-current assets		**516,399**	**410,759**
TOTAL ASSETS		**857,310**	**704,314**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	12	130,777	108,498
Current portion of lease liabilities	11	28,746	42,046
Current portion of contingent consideration	4	-	7,000
Incentive compensation liability	13	1,799	-
Income tax payable		24,318	59,914
Total current liabilities		**185,640**	**217,458**
Non-current liabilities			
Lease liabilities	11	45,727	31,589
Long term incentive compensation liability	13	-	423
Contingent consideration	4	-	697
Decommissioning obligations	14	83,644	129,464
Provision for employee benefits	15	9,351	9,319
Deferred tax liability	16	4,665	31,186
Total non-current liabilities		**143,387**	**202,678**
Equity			
Share capital	17	205,952	203,127
Contributed surplus		25,182	24,328
Accumulated other comprehensive income		10,830	10,393
Retained earnings		286,319	46,330
Total Equity		**528,283**	**284,178**
TOTAL LIABILITIES AND EQUITY		**857,310**	**704,314**

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In US$'000	Note	For the year ended December 31, 2024	December 31, 2023
Revenue and other income			
Oil revenues		678,794	493,457
Other income	21	10,198	12,321
		688,992	**505,778**
Expenses			
Operating		186,407	180,192
Exploration		3,092	1,441
General and administrative	18	31,634	28,186
Royalties		81,723	66,664
Special remuneratory benefit (SRB)		29,221	15,123
Finance costs	19	28,447	34,022
Depletion and depreciation	10, 11	197,604	128,719
Other expenses	20	-	5,417
		558,128	**459,764**
Profit for the year before other items		**130,864**	**46,014**
Bargain purchase gain	4	-	238,143
Change in net monetary position due to hyperinflation	5	987	472
Profit for the year before income taxes		**131,851**	**284,629**
Income taxes			
Deferred tax recovery	16	(177,210)	(30,847)
Current tax expense	16	68,264	71,163
Net income		**240,797**	**244,313**
Net income attributable to:			
Shareholders of Valeura Energy		240,797	245,026
Non-controlling interest		-	(713)
Net income		**240,797**	**244,313**
Other comprehensive income (loss)			
Currency translation adjustments		(308)	792
Actuarial gain	15	745	853
Total comprehensive income		**241,234**	**245,958**
Total comprehensive income attributable to:			
Shareholders of Valeura Energy		241,234	246,671
Non-controlling interest		-	(713)
Total comprehensive income		**241,234**	**245,958**
Earnings per share			
Basic	*24*	*2.28*	*2.47*
Diluted	*24*	*2.21*	*2.34*

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Operating activities			
Profit for the year before income taxes		131,851	284,629
Adjustments for:			
Depletion and depreciation	10, 11	197,604	128,719
Share-based compensation		3,061	1,978
Finance costs	19	28,447	34,022
Change in estimate on decommissioning liabilities		12	71
(Reversal) write down inventory to net realisable value	8	(7,126)	7,126
Net change in estimate on contingent consideration	4	(793)	(905)
Provision for impairment of exploration and evaluation assets	9	-	4,279
Provision for employee benefits	15	1,671	914
Provision for inventory obsolescence		(662)	477
Provision for withholding receivable		(673)	-
Impairment loss on receivable	25	-	955
Bargain purchase gain	4	-	(238,143)
Change in net monetary position due to hyperinflation	5	(987)	(472)
Unrealised foreign exchange gain		(2,863)	(727)
Operating cashflows before movements in working capital		349,542	222,923
Change in non-cash working capital	23	60,712	(54,038)
Cash generated by operations		410,254	168,885
Income taxes paid		(99,075)	(124,166)
Decommissioning cost paid	14	(43)	(4)
Change in restricted cash	6	(5,512)	(17,230)
Net cash from operating activities		**305,624**	**27,485**
Investing activities			
Property, plant and equipment expenditures		(155,677)	(110,785)
Exploration and evaluation expenditures	9	(4,910)	(554)
Payments on contingent considerations		(7,000)	-
Acquisition of subsidiaries	4	-	238,058
Change in non-cash working capital	23	6,018	3,627
Net cash (used in) from investing activities		**(161,569)**	**130,346**
Financing activities			
Facility financing, net of costs		-	38,000
Repayment of facility		-	(52,500)
Interest paid on facility		-	(3,135)
Principal payments on lease liabilities		(33,063)	(28,136)
Payments on commitment and financing fee		(8,220)	(3,876)
Proceeds on issue of share	17	-	6,853
Payments for share repurchase	17	(1,481)	-
Proceeds from stock option exercises		1,626	994
Net cash used in financing activities		**(41,138)**	**(41,800)**
Foreign exchange (loss) gain on cash held in foreign currencies		(240)	319
Net change in cash and cash equivalents		**102,677**	**116,350**
Cash and cash equivalents, beginning of the year		**133,866**	**17,516**
Cash and cash equivalents, end of the year		**236,543**	**133,866**

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Number of common shares (Share '000)	Share Capital (US$'000)	Contributed Surplus (US$'000)	Accumulated Other Comp. Income (US$'000)	Retained Earnings (US$'000)	Non-Controlling interest (US$'000)	Total Shareholders' Equity (US$'000)
Balance, January 1, 2024	102,955	$ 203,127	$ 24,328	$ 10,393	$ 46,330	$ -	$ 284,178
Net income for the year	-	-	-	-	240,797	-	240,797
Shares issued	4,044	3,499	(1,873)	-	-	-	1,626
Currency translation adjustments	-	-	-	(308)	-	-	(308)
Actuarial gain	-	-	-	745	-	-	745
Share repurchased under normal course issuer bid	(349)	(674)	-	-	(808)	-	(1,482)
Share-based compensation	-	-	2,727	-	-	-	2,727
December 31, 2024	**106,650**	**$ 205,952**	**$ 25,182**	**$ 10,830**	**$ 286,319**	**$ -**	**$ 528,283**

	Number of common shares (Share '000)	Share Capital (US$'000)	Contributed Surplus (US$'000)	Accumulated Other Comp. Income (US$'000)	(Deficit) Retained Earnings (US$'000)	Non-Controlling interest (US$'000)	Total Shareholders' Equity (US$'000)
Balance, January 1, 2023	87,148	$ 180,116	$ 22,986	$ 8,748	$ (185,814)	$ 2,421	$ 28,457
Net income (loss) for the year	-	-	-	-	245,026	(713)	244,313
SPV capital transactions	9,500	14,590	-	-	(12,882)	(1,708)	-
Shares issued	6,307	9,050	(636)	-	-	-	8,414
Currency translation adjustments	-	-	-	792	-	-	792
Actuarial gain	-	-	-	853	-	-	853
Share issuance costs	-	(629)	-	-	-	-	(629)
Share-based compensation	-	-	1,978	-	-	-	1,978
December 31, 2023	**102,955**	**$ 203,127**	**$ 24,328**	**$ 10,393**	**$ 46,330**	**$ -**	**$ 284,178**

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – Reporting Entity

Valeura Energy Inc. and its subsidiaries ("Valeura" or the "Company") are currently engaged in the exploration, appraisal, development, and production of petroleum in the Gulf of Thailand and natural gas onshore Türkiye. Valeura is incorporated in Alberta, Canada and has subsidiaries in Canada, Netherlands, Türkiye, Thailand, Singapore, Mauritius, British Virgin Islands, and Cayman Islands. Valeura's shares are traded on the Toronto Stock Exchange ("TSX") under the trading symbol VLE, and quoted on the OTCQX in the United States of America under the trading symbol VLERF. Valeura's head office address is 111 Somerset Road, #09-31, Singapore 238164. Valeura's registered and records office is 4600, 525 – 8th Avenue SW, Calgary, Alberta, T2P 1G1.

The Board of Directors approved the consolidated financial statements for issuance on March 25, 2025.

NOTE 2 – Basis of Preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as at and for the years ended December 31, 2024 and 2023 and have been prepared in accordance with the accounting policies and methods of computation as set forth in Note 3 below.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial and non-financial assets and liabilities, which have been measured at fair value and except for the application of hyperinflationary accounting for the Company's subsidiary in Türkiye.

The consolidated financial statements include the accounts of the Company and are expressed in thousands of US Dollars ("US$"), unless otherwise stated.

Functional and Presentation Currency

The consolidated financial statements are presented in US Dollars (US$), which is the Company's functional currency and presentation currency. The functional currencies of subsidiaries are determined based on the economic environment in which they operate. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in other comprehensive income, and the translation of assets and liabilities under a hyperinflationary environment disclosed in Note 5. The translation differences which arise are recorded directly in other comprehensive income.

Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Company have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

(i) Key assumptions in the impairment models relate to prices and costs that are based on forward curves and the long-term corporate assumptions. Annual impairment tests are performed in conjunction with the annual reserves certification process. The impairment test requires the use of estimates and judgements. For the purpose of determining a potential impairment, the significant assumptions and judgements developed by management used to determine the recoverable amount include the proved and probable oil and gas reserves, expected production volumes, future oil and gas prices, future development costs, future production costs and the discount rate. These assumptions and judgements of management that are based on them are subject to change as new information becomes available. Changes in economic conditions can also affect the rate used to discount future cash flow estimates and the discount rate applied is reviewed throughout the year.

Key sources of estimation uncertainty:

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Oil and gas properties are depreciated on a unit of production basis at a rate calculated by reference to proved and probable oil and gas reserves determined, at least annually by independent third-party reserves evaluators, in accordance with National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities" and incorporating the estimated future cost of developing and extracting those reserves. During the year, management engaged independent third-party reserves evaluators to prepare a reserves report. Proved and probable reserves are determined using estimates of oil and natural gas in place, recovery factors and forecasted oil and gas commodity prices. Forecasted future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.

(ii) Depletion of oil and gas properties is provided using the unit-of-production method and is based on production volumes in relation to total estimated proved and probable reserves as determined by the Company's independent third-party reserves evaluators for the year. Calculations for depletion are based on total capitalised costs plus estimated future development costs of proved and probable reserves.

(iii) Management's assumptions and estimates of future cash flows used in the Company's impairment assessment of assets are based on an assessment of the assets' ability to generate independent cash inflows. The assets are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. If an indication of impairment exists, or if an exploration and evaluation asset is determined to not be technically feasible and commercially viable, an estimate of the asset recoverable amount is calculated. The recoverable amount is based on the higher of fair value less costs of disposal and value in use, using a discounted cash flow methodology. The impairment analysis and calculations require the use of estimates and assumptions, such as long-term commodity prices, discount rates, future capital expenditures, exploration potential and operating costs. The fair value of the asset is generally determined as the present value of estimated future cash flows arising from the continued use of the assets comprising the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks to the asset. The carrying amounts of oil and gas properties is disclosed in Note 10 to the financial statements.

(iv) The Company estimates the decommissioning obligations for oil and natural gas wells and their associated production facilities and pipelines. In most instances, removal of assets and remediation occurs many years into the future. Amounts recorded for the decommissioning obligations and related accretion expense require assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, inflation estimates, future removal technologies in determining the removal cost, and the estimate of the liability specific discount rates to determine the present value of these cash flows. The carrying amounts of the Company's decommissioning obligations is disclosed in Note 14 to the financial statements.

(v) The determination of the Company's provision for employee benefits depends on certain assumptions, which include selection of the discount rate. The discount rate is set by reference to zero coupon yield rate of government bond in Thailand from the Thai Bond Market Association. The assumption is considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect on the Company's financial statements within the next year. Further information on the carrying amounts of the Company's provision for employee benefits and the sensitivity of those amounts to changes in discount rate are provided in Note 15.

(vi) The Company accounts for differences that arise between the carrying amount of assets and liabilities and their tax bases in accordance with IAS 12 *Income Taxes*, which requires deferred income tax assets only to be recognized to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilized. Management estimates future taxable profits based on the financial models used to value its oil and gas properties. Any change to the estimates and assumptions used for the key operational and financial variables used within the business models could affect the amount of deferred income tax assets recognized. The effects of changes in estimates do not give rise to prior year adjustments and are treated prospectively over the estimated remaining commercial reserves of each field. While the Company uses its best estimates and judgement, actual results could differ from these estimates.

Going Concern

The Company's consolidated financial statements for the year ended December 31, 2024, have been prepared on a going concern basis, which assumes that the Company have adequate resources to continue in operational existence for the foreseeable future.

New and Amended IFRS Accounting Standards that are Effective for the Current Year

In the current year, the Company has applied the following amendment to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2024.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current*
The Company has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year. The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

New and Revised IFRS Accounting Standards Issued but Not Yet Effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standard that has been issued but are not yet effective and had not yet been adopted by the Company:

IFRS 18 *Presentation and Disclosures in Financial Statements*
IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions. Accordingly, Management anticipates the initial application of the new IFRS 18 will result in changes to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. Management is still assessing the possible impact of implementing IFRS 18. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Company's financial statements in the initial application period. Management does not plan to early adopt the new IFRS 18.

NOTE 3 – Material Accounting Policies

(a) Basis of consolidation

(i) Subsidiaries:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company made up to December 31 each year. Control is achieved when the Company:

- Has power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Company's accounting policies.

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Company loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

(ii) Transactions eliminated on consolidation:

Intercompany balances and transactions, and any unrealised income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

(b) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its revenue from the sale of its share of the output arising from the joint operation
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenue and expenses.

A portion of the Company's exploration and development activities are conducted jointly with others. The joint interests are accounted for on a proportionate consolidation basis and as a result the financial statements reflect only the Company's proportionate share of the assets, liabilities, revenues, expenses and cash flows from these activities. Valeura has the following licences and working interests:

Name of the Joint Arrangement	Key Fields	Nature of the Relationship with the Joint Arrangement	Principal Place of Operation of Joint Arrangement	Thai Fiscal Regime	Working Interests
G10/48 Concession[(1)]	Wassana	Operator	Gulf of Thailand	Thai III	100%
B5/27 Concession[(2)]	Jasmine/Ban Yen	Operator	Gulf of Thailand	Thai I	100%
G1/48 Concession[(3)]	Manora	Operator	Gulf of Thailand	Thai III	70%
G11/48 Concession[(4)]	Nong Yao	Operator	Gulf of Thailand	Thai III	90%
West Thrace Deep JV[(5)]	-	Operator	Türkiye	N/A	63% (all rights)
Banarli Deep JV[(5)]	-	Operator	Türkiye	N/A	100% (all rights)

(1) The Company's interest in the G10/48 Concession is held by Valeura Energy (Thailand) Ltd.
(2) The Company's interest in the B5/27 Concession is held by Busrakham Jasmine Ltd.
(3) The Company's interest in the G1/48 Concession is held by Valeura Energy (Thailand) Ltd. (70%)
(4) The Company's interest in the G11/48 Concession is held by Valeura Energy (Thailand) Ltd. (90%)
(5) The Banarli and West Thrace Exploration Licences have been extended to a new expiry date of June 27, 2026, and the Company has engaged in discussions with the government in relation to another two-year Appraisal Period extension thereafter.

In prior year, a subsidiary of the Company has divested its working interest of 43% in Licence G6/48. The agreement for the withdrawal from and transfer of the G6/48 interest and the Rossukon exclusive operation was dated April 27, 2023, and a supplementary petroleum concession was signed by Thailand's Minister of Energy, effective February 26, 2025. As of December 31, 2024, the Company had no proportion of the participating share in the licence.

On November 1, 2024, Valeura's working interests in all its Thai III fiscal contracts, covering the Nong Yao, Manora and Wassana fields, were successfully transferred to Valeura Energy (Thailand) Ltd.

(c) Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred except if related to the issue of debt securities. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value with certain exceptions.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Company obtains control including control achieved in a business that was joint operation) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

(d) Financial instruments

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on principal amounts outstanding.

Classification of financial assets
Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost
Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Valeura does not currently have financial instrument contracts to which it applies hedge accounting.

(iii) Share capital
Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognised as a deduction from equity, net of any tax effects.

(e) Inventory
Inventory consists of the Company's unsold Thailand crude oil and spare parts. Inventories are valued at the lower of cost and net realisable value (NRV). Cost is determined using the weighted average cost method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less costs to sell. Costs for unsold crude oil include operating expenses, and depletion associated with the production of crude oil in inventory. The Company assesses the net realisable value of the inventories at the end of each year and recognises the appropriate write-down if this value is lower than the carrying amount. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

Spare parts are valued at cost net of provision for obsolescence. The provision is recognised for spare parts used for exploration and production of oil that are obsolete and unserviceable.

(f) Exploration and evaluation assets
The Company follows the successful efforts method of accounting to account for its oil and gas exploration, evaluation, appraisal and development expenditures. Under this method, costs of acquiring properties, drilling successful exploration and appraisal wells, and development costs are capitalised. All other costs such as pre-licence costs, exploratory geological and geophysical costs including seismic costs incurred during exploration phase, are recognised in profit or loss as incurred. Exploration and evaluation ("E&E") costs, including the costs of acquiring licences and directly attributable general and administrative costs, are initially capitalised as exploration and evaluation assets. The costs are accumulated by well, field or exploration area pending determination of technical feasibility and commercial viability. E&E assets is written off when the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the very near future, and is not expected to be renewed or exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area. The write-off of E&E assets is recognised in profit or loss.

(g) Property, plant and equipment

(i) Recognition and measurement:

Items of property, plant and equipment ("PP&E"), which include oil and gas production assets, are measured at cost less accumulated depletion and depreciation and accumulated impairment losses. Development and production assets are grouped into CGUs for impairment testing. When significant parts of an item of PP&E, including oil and natural gas interests, have different useful lives, they are accounted for as separate items (components).

Gains and losses on disposal of an item of property, plant and equipment, including oil and natural gas interests, are determined by comparing the proceeds from disposal with the carrying amount of PP&E and are recognised in profit or loss.

(ii) Subsequent costs:

Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of PP&E are recognised as oil and natural gas interests only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognised in profit or loss as incurred. Such capitalised oil and natural gas interests generally represent costs incurred in developing proved and/or probable reserves and bringing in or enhancing production from such proved and probable reserves, and are accumulated on a field or geotechnical area basis. The carrying amount of any replaced or sold component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depletion and depreciation:

The net carrying value of oil and gas properties included in property, plant and equipment is depleted by area using the unit of production method by reference to the ratio of production in the year to the related proved and probable reserves, taking into account estimated future development costs necessary to bring those proved and probable reserves into production. Future development costs are estimated taking into account the level of development required to produce the proved and probable reserves for each area. These estimates are reviewed by independent reserve engineers at least annually. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Other PP&E are recorded at cost on acquisition and amortised on a straight-line basis. The estimated useful lives for the current and comparative periods are as follows:

Leasehold improvements	5 years
Furniture, fixtures and office equipment	5 years
Computers	5 years

(h) Impairment

(i) Financial assets:

Loss allowances are recognised for expected credit losses ("ECLs") on its financial assets measured at amortised cost. Due to the nature of the financial assets, loss allowances are measured at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. The ECLs on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(ii) Non-financial assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

PP&E and E&E assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs of disposal. Fair value less costs of disposal is determined as the amount that would be obtained from the sale of the assets in an arm's length transaction between knowledgeable and willing parties.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Value-in-use is generally computed by reference to the present value of the future cash flows expected to be derived from production of proved and probable reserves.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss in respect of PP&E and E&E assets, recognised in prior years, is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation, if no impairment loss had been recognised.

(i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right of use assets are initially measured at an amount equal to the lease liability, adjusted by lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. It is subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain re-measurement of the lease liability. Right of use assets for assets related to oil and gas production are depreciated on a unit of production basis. All other leased assets are depreciated based on a straight-line basis over the shorter of its estimated useful life and the lease term. Right of use assets are subject to impairment review similar to property, plant and equipment assets.

If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

(j) Employee benefits

(i) Short-term employee benefits

Salaries, annual rewards and related employment welfare are recognised as expenses when incurred.

(ii) Retirement and termination benefit costs

The Company has a provision for employee benefits (the “Provision”) and an employee savings plan. The employee savings plan is a plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The cost of the employee savings plan benefit is expensed as earned by employees. These benefits are unfunded and are expensed as the employees provide service.

The provident funds are funded by payments from employees and from the Company which are held in a separate trustee-administered fund. The Company contributes to the funds at a rate of 5% - 15% of the employees’ salaries which are charged to the statement of profit or loss in the period the contributions are made.

The provision for employee benefit is for Legal Severance Pay under the Thai Labour Protection Act 1998 (revised 2019) and Retirement Pension Plan. It specifies that an employee will receive a fixed one-time payment on retirement, dependent on factors such as age, years of service and compensation. The provision is accounted for under IAS 19 *Employee Benefits*. The calculation of the Provision is performed annually by a qualified actuary using the projected unit credit method. There are no assets related to the provision.

The Company’s obligation in respect of the retirement benefit plans is calculated by estimating the amount of future benefits that employees will earn in return for their services to the Company in current and future periods. Such benefits are discounted to the present value. The employee benefits obligation is calculated by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income (loss) in the period in which they arise as disclosed in Note 15.

Past-service costs are recognised immediately in profit or loss.

(iii) Other long-term benefits

The other provision for employee benefit is long-term benefits based on employees’ length of service. The Company calculates the amount of these benefits according to the employees’ service period.

The expected obligations of retirement and termination benefit costs and other long-term benefits are calculated by independent actuarial experts and accrued over the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions will be recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

The Company recognises the obligations in respect of employee benefits in the statements of financial position under “Provision for Employee Benefits” as disclosed in Note 15.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognised for future operating losses.

Decommissioning obligations:
The Company's activities give rise to dismantling, decommissioning and site disturbance remediation activities. Provision is made for the estimated cost of site restoration and capitalised in the relevant asset category. Decommissioning obligations are measured at the present value of management's best estimate of expenditure required to settle the present obligation at the statement of financial position date. The Company uses a credit adjusted interest rate in the measurement of the present value of its decommissioning obligations. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognised as finance costs whereas increases/decreases due to changes in the estimated future cash flows are capitalised. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

(l) Share based payments

(i) Stock options
The grant date fair value of options granted to certain employees are recognised as compensation expense, with a corresponding increase in contributed surplus over the vesting period on a straight-line basis. A forfeiture rate is estimated on the grant date and is subsequently adjusted to reflect the actual number of options that vest.

(ii) Performance share units and Restricted share units

The grant date fair value of performance share units ("PSU") and restricted share units ("RSU") granted to certain employees are recognised as compensation expense, with a corresponding increase in contributed surplus over the vesting period. The PSU is subject to certain non-market performance conditions, of which, the impact is estimated at the grant date.

(iii) Deferred share units

The grant date fair value of cash-settled deferred share units ("DSU") granted to a member of the board of directors are recognised as compensation expense, with a corresponding increase in compensation liability over the vesting period. Subsequent to initial recognition, the compensation liability and corresponding compensation expense are measured at fair value.

(m) Revenue from contracts with customers
The Company's oil revenues from the sale of crude oil are based on the consideration specified in the contracts with customers. Valeura recognises revenue when the performance obligation is satisfied by transferring control of the product to the customer, which is generally when legal title passes to the customer and collection is reasonably assured. Crude oil sales in Thailand are conducted on a tender basis for both domestic and export sales. The reference price generally used for Thailand crude oil is Dubai crude oil.

(n) Royalties
Royalty arrangements that are based on production or sales are recognised by reference to the underlying arrangement.

(i) Royalties to government in Thailand
Royalties paid to the Thai government are based on sales volumes and are payable in cash in each calendar quarter which commences from January, April, July, and October for Thai I licences and in the month following sales for Thai III licences. Royalties for Thai I licences are a flat 12.5%, and for Thai III licences are between 5% and 15% based on sales volumes.

(ii) Payment to previous owner in Thailand

1) Under the terms of the sales and purchase agreement between the Company and the previous owner of Licence B5/27, the Company is required to make payments to the previous owner in cash based on sales volumes computed as follows:
2) 6% of gross revenue from certain production areas within Licence B5/27;
3) US$2 per barrel of oil produced from certain production areas within Licence B5/27; and
4) 4% of gross revenue from certain production areas other than that mentioned in 2) above within Licence B5/27.

(o) Special remuneratory benefit
Special remuneratory benefit ("SRB") is a unique form of tax on Windfall Profits or annual additional petroleum profits, arising from substantial increases in the price of petroleum, or very low-cost discoveries under Thailand Petroleum Income Tax Act. SRB is calculated annually on a block-by-block basis and varies from year-to-year, depending on the revenue per one meter of well drilled in the year. SRB will not apply unless capital expenditures have been recovered in full.

If the concessionaire has Petroleum Profit for the Year, calculated based on related annual income per one meter of well, the SRB is calculated at the following rates, subject to a ceiling of 75% of Petroleum Profit for the Year.

Rated Annual Income Per One Meter of Well	SRB
Up to Baht 4,800	Zero
Baht 4,800 to 14,400	1.0% per each Baht 240 increment
Baht 14,400 to 33,600	1.0% per each Baht 960 increment
Over Baht 33,600	1.0% per each Baht 3,840 increment

In order to determine Rated Annual Income per One Meter of Well:

1) calculate annual Petroleum Income for the year, and adjust for inflation and exchange rates;
2) calculate the accumulated total meters of all wells (exploration wells, appraisal wells, production wells, etc.) drilled during the period of the concession; and Rated Annual Income per One Meter of Well = Adjusted Annual Petroleum Income divided by (Total depth of all wells + GSF)
3) GSF means Geological Stability Factor, which shall be fixed for each geological region of Thailand, and shall not be less than 150,000 meters. The number will increase in areas where drilling is more difficult.

(p) Finance costs
Finance costs comprise interest expense on any borrowings, accretion of the discount on provisions and interest expense arising from lease liabilities. Interest expense on borrowings is recognised as it accrues in profit or loss, using the effective interest method.

(q) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax is the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous years.

Deferred tax is providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of assets or liabilities in a transaction that is not a business combination.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date and foreign exchange currency differences are recognised in the statement of profit or loss and other comprehensive income. Transactions in foreign currencies are translated at exchange rates prevailing at the transaction date. Foreign exchange gains and losses are presented within other income and other expenses in the statement of profit or loss and other comprehensive income.

NOTE 4 – Business Combinations

The Company articulated its strategy to grow through mergers and acquisitions, with a preference for assets that would add both cash flow in the near term and opportunities for follow-on organic growth.

(a) As announced on December 6, 2022 the Company entered into a Sale and Purchase Agreement (the “SPA”) with Mubadala Petroleum (Thailand) Holdings Limited (the “Seller”) to acquire all of the shares of Busrakham Oil and Gas Ltd. (“BOGL”). On March 22, 2023, the transaction closed with US$10.4 million in consideration paid (“Mubadala Acquisition”). Contingent payments of up to US$50.0 million are based on certain upside price scenarios, have been recorded at estimated fair value. During the year, net cash flow from the acquisition is the cash and cash equivalents acquired less the cash consideration paid. This includes the offset against the deposit of US$6.0 million paid in 2022.

The SPA had been accounted for as a business combination under IFRS 3 *Business Combinations*. In 2023, the Company has completed Purchase Price Allocation (“PPA”) exercise to determine the fair values of the net assets acquired within the stipulated time period of 12 months from the acquisition date of March 22, 2023. The fair values of identifiable assets and liabilities have been reflected in the consolidated statement of financial position as at March 22, 2023 as follows:

In US$’000	PPA
Cash	10,438
Contingent consideration	3,934
Total consideration	**14,372**
Purchase Price Allocation	
Cash and cash equivalents	242,496
Accounts receivable	54,902
Inventory	86,114
Prepaid expenses and deposits	6,680
Property, plant and equipment	364,471
Right of use asset	47,193
Accounts payable and accrued liabilities	(172,249)
Lease liability	(48,575)
Provision for employee benefits	(9,696)
Income tax payable	(112,019)
Decommissioning obligations	(144,769)
Deferred tax liability	(62,033)
Total purchase price allocation	**252,515**
Bargain purchase gain	**238,143**

The Company chose to pursue the Mubadala Acquisition as a means to add immediate cash flow by acquiring high working interests in the Jasmine/Ban Yen, Nong Yao, and Manora producing oil fields, and their associated production infrastructure. The Company also foresaw the potential for follow-on growth by continuing to invest into the fields to maintain their long proven history of replacing reserves on a year-on-year basis, in addition to the potential for financial and operating synergies between the Mubadala Acquisition assets and those of the Kris Acquisition.

The identifiable assets and liabilities have been measured at their individual fair values on the date of acquisition. The fair value of property, plant and equipment was determined based on the estimate of proved and probable reserves from an independent third-party reserve evaluation prepared as at December 31, 2022 and adjusted for production from January 1, 2023 to March 22 2023. Deferred taxes were calculated by applying the statutory tax rate to the property, plant and equipment, right of use assets, decommissioning obligation, and lease liabilities fair values less available tax pools. The fair value of decommissioning obligations was determined based on applying a credit adjusted interest rate.

The fair value of the accounts receivable acquired (which principally comprised of trade receivables) approximate their carrying values due to the relatively short-term maturity. The total carrying value reflects the gross contractual value of US$54.9 million and there was no contractual cash flows not expected to be collected based on the best estimate at acquisition date.

The contingent consideration was payable if the arithmetical average of the daily “close” of all quotations in US dollars for Dubai crude oil in the Platts Crude Oil Marketwire on a $/bbl basis (the “Benchmark”) had averaged over US$100 dollars for 2022, 2023, or 2024. No contingent consideration was payable for 2023 and 2024 as the reference price did not average over US$100. Such contingent consideration was capped at a maximum of US$50 million, and each year was calculated independently of each other year. The valuation methodology for valuing the contingent consideration was based on Monte Carlo simulation of the future expected Dubai crude oil prices. A Monte Carlo simulation was used to model the probability of different outcomes in a process that cannot easily be predicted due to the intervention of random variables. The contingent consideration at date of acquisition was US$3.9 million. Using the same methodology, at the December 31, 2023, the contingent consideration was US$0.7 million. The contingent consideration had been reduced as a result of shorter remaining time to settlement as time lapses. The contingent consideration payable as at March 22, 2023 covered a remaining time to settlement of approximately 1.78 years. As at December 31, 2024, there is no outstanding contingent consideration as the Benchmark did not reach the reference price. The change in the value of the contingent consideration has been recognised as net change in contingent consideration in the consolidated statement of profit or loss and other comprehensive income.

A bargain purchase gain of US$238.1 million was recognised primarily related to results of operations between the effective and closing date of the acquisition with the fair value of the assets acquired exceeding the fair value of the liabilities assumed and consideration paid. The Mubadala Acquisition was subject to a closing provision generally known as a ‘locked box’ mechanism whereby the net cash and liabilities accumulated in the business after September 1, 2022 would be assumed by the buyer at closing. The Seller had agreed on a purchase price tied to a valuation that was built on a certain oil price assumptions which, in hindsight, were materially lower than the realised price achieved during the period between September 1, 2022 and closing date of March 22, 2023 (the “Interim Period”). Accordingly, the record high oil price achieved during the Interim Period resulted in a material cash balance at closing.

The bargain purchase gain of US$238.1 million thus reflected the combination of a broader healthier oil price environment during the Interim Period which resulted in a material cash balance, and have helped lift the value of the net assets beyond what the consideration agreed on may have suggested.

BOGL contributed US$482.3 million revenue and US$78.4 million to the Company’s net income for the year between the date of acquisition and December 31, 2023. Had the acquisition of BOGL been completed on the first day of 2023, revenue for the year ended December 31, 2023 would have been increased by US$106.4 million and the net income would have been increased by US$37.2 million.

NOTE 5 – Hyperinflation

During the second quarter of 2022, the Turkish Statistical Institute’s published consumer price index indicated that cumulative 3-year inflation had exceeded 100 percent which continued throughout the year 2023 and 2024. Consequently, the Company has concluded that its subsidiary in Türkiye, whose functional currency is the Turkish Lira, is currently operating in a hyperinflationary environment. The Company has therefore applied accounting adjustments to the underlying financial results and position of its subsidiary in Türkiye as required by IAS 29 *Financial Reporting in Hyperinflationary Economies.* As required by IAS 29, the Company’s consolidated financial statements will include the results and financial position of its Turkish subsidiary, restated in terms of the measuring unit current at the period end date.

The Company applied the consumer price index (“CPI”) annual inflation rates published by the Turkish Statistical Institute. The indices used are found in the tables below. Average cumulative annual inflation rates were used for 2018 to 2023. Inflation for items purchased in 2018 is greater than those in 2024 due to the cumulative effect of inflation over the additional years. In 2024, monthly inflation rates were used as follows:

Year Purchased	Cumulative Average Annual CPI
2018	303.73
2019	254.59
2020	215.69
2021	163.90
2022	53.44
2023	64.49

Month	Monthly CPI 2024
January	6.70
February	4.53
March	3.16
April	3.18
May	3.37
June	1.64
July	3.23
August	2.47
September	2.97
October	2.88
November	2.24
December	1.03

Non-monetary items are carried at cost or cost less depreciation. The Company’s subsidiary in Türkiye has applied to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. Monetary items and non-monetary items held at current cost were not restated, as they are considered to be expressed in terms of the measuring unit current at the period end date.

NOTE 6 – Restricted Cash

As at December 31, 2024, the Company's restricted cash of US$22.8 million (2023: US$17.3 million) comprised the following:

1) US$21.7 million (2023: US$16.3 million) held with Thailand Bank related to securing a financial security issued in accordance with Thailand decommissioning regulation.
2) US$1.1 million (2023: US$1.0 million) related to securing licence deposits with the General Directorate of Mining and Petroleum Affairs of the Republic of Türkiye ("GDMPA") and for letters of credit lodged with the Thailand Customs department.

NOTE 7 – Trade and Other Receivables

In US$'000	December 31, 2024	December 31, 2023
Trade receivables	17,761	49,463
Reimbursement of Licence G6/48 contingent payment, including VAT	-	5,350
Tax receivables	18,298	10,354
Others	2,378	900
Total	**38,437**	**66,067**

As at January 1, 2023, there was no trade receivables from contracts with customers. Trade receivables are normally settled within 30 days terms (2023: 30 days term).

NOTE 8 – Inventory

In US$'000	December 31, 2024	December 31, 2023
Crude oil (net of write down to NRV)	29,454	33,859
Spare parts (net of provision for obsolescence)	29,810	31,339
Total	**59,264**	**65,198**

The cost of spare parts recognised as an expense during the year was US$45.0 million (2023: US$12.2 million). For the cost of crude oil, the Company recognised as an expense during the year of US$382.0 million (2023: US$272.0 million).

There is no cost of crude inventories recognised as an expense in respect of write-downs of crude inventory to net realisable value (2023: US$7.1 million). Previous write-downs have been reversed as a result of the decrease in production cost on the Wassana field and included in operating expenses during the year. None of the inventories are expected to be recovered after more than 12 months.

Movement in provision for obsolescence of spare parts is as follows:

In US$'000	December 31, 2024	December 31, 2023
Balance, January 1	5,734	3,146
Allowance during the year	3,263	2,769
Write-off during the year	(779)	(181)
Balance, December 31	**8,218**	**5,734**

NOTE 9 – Exploration and Evaluation Assets

In US$'000	Total
Balance, January 1, 2023	5,956
Additions	554
Hyperinflation adjustments (Note 5)	472
Effects of movements in exchange rates	(324)
Provision for impairment	(4,279)
Balance, December 31, 2023	**2,379**
Additions	4,910
Hyperinflation adjustments (Note 5)	987
Effects of movements in exchange rates	(201)
Balance, December 31, 2024	**8,075**

Exploration and evaluation ("E&E") assets consist of the Company's exploration projects which are pending the determination of proved or probable reserves. Additions represent the Company's share of costs incurred on E&E assets during the period.

Recoverability of exploration and evaluation assets
In prior year, a subsidiary of the Company has divested its working interest of 43% in Licence G6/48. The agreement for the withdrawal from and transfer of the G6/48 interest and the Rossukon exclusive operation was dated April 27, 2023. As at December 31, 2024, the Company has no proportion of the participating share in the licence. The E&E assets relating to the license has been fully impaired since 2023.

NOTE 10 – Property, Plant and Equipment

Cost (In US$'000)	Oil and gas properties	Other PP&E	Total
Balance, January 1, 2023	20,203	13,145	33,348
Additions	103,112	15,163	118,275
Acquisitions (Note 4)	361,783	2,688	364,471
Disposal	-	(364)	(364)
Change in decommissioning obligations	(45,670)	-	(45,670)
Hyperinflation adjustment (Note 5)	-	4,135	4,135
Effects of movements in exchange rates	-	(520)	(520)
Balance, December 31, 2023	**439,428**	**34,247**	**473,675**
Additions	136,001	22,678	158,679
Disposal	-	(965)	(965)
Change in decommissioning obligations	(57,704)	-	(57,704)
Hyperinflation adjustment (Note 5)	-	5,826	5,826
Effects of movements in exchange rates	-	(70)	(70)
Balance, December 31, 2024	**517,725**	**61,716**	**579,441**

Accumulated depletion and depreciation (In US$'000)	Oil and gas properties	Other PP&E	Total
Balance, January 1, 2023	-	**13,128**	**13,128**
Depreciation expense	129,341	1,775	131,116
Disposal	-	(364)	(364)
Hyperinflation adjustment (Note 5)	-	4,135	4,135
Effects of movements in exchange rates	-	(909)	(909)
Balance, December 31, 2023	**129,341**	**17,765**	**147,106**
Depreciation expense	155,199	7,877	163,076
Disposal	-	(965)	(965)
Hyperinflation adjustment (Note 5)	-	5,826	5,826
Effects of movements in exchange rates	-	(27)	(27)
Balance, December 31, 2024	**284,540**	**30,476**	**315,016**

Net book value (In US$'000)			Total
Balance, December 31, 2023	310,087	16,482	326,569
Balance, December 31, 2024	**233,185**	**31,240**	**264,425**

For the purposes of calculating depletion, oil and gas properties in Thailand include estimated future development costs of US$679.0 million (2023: US$632.2 million) associated with development of the Company's proved and probable reserves. The depreciation expense includes the depreciation reversal of US$1.7 million (2023: Capitalisation of US$15.2 million). Such depreciation is capitalised as cost of crude oil inventory.

The Company conducted impairment testing with respect to the Company's oil and gas properties as at December 31, 2024. The recoverable amounts of the assets were estimated based on their value in use, which was determined by discounting the future cash flows from the continuing use of the assets. The cash flows were projected for each field based on the projected production plan of the fields' proved and probable (2P) reserves. A discount rate of 10.0% (2023: 11.0%) was applied in determining the recoverable amount of the assets. As at December 31, 2024, no impairment of the oil and gas properties was required (2023: no impairment). Sensitivity analysis has been conducted on the discount rate assumption, with a 1.0% change being considered a reasonable possible change for the purposes of sensitivity analysis. A 1.0% increase in discount rate would decrease recoverable amounts of the assets by US$20.4 million, while a 1% reduction in discount rate would increase recoverable amounts of the assets by US$21.3 million. No impairment loss would be required even with increase of 1.0% in discount rate.

NOTE 11 – Right-of-Use Assets and Lease Liabilities

The Company has lease contracts for various items used in its operations, including Floating Production Storage and Offloading (FPSO) vessels, Floating Storage and Offloading (FSO) vessels, Mobile Offshore Production Unit (MOPU) and warehouses. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Lease terms are between 2 - 5 years (2023: 2 - 5 years).

The estimated useful lives of right of use assets for the current and comparative periods are as follows:

	Useful life
FPSO, FSO and MOPU lease	Unit of production
Buildings (warehouse and office lease)	2-5 years

Right-of-use assets

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

Cost (In US$'000)	FPSO, FSO and MOPU	Buildings	Total
Balance, January 1, 2023	-	-	-
Acquisitions (Note 4)	45,122	2,071	47,193
Additions	48,403	479	48,882
Balance, December 31, 2023	**93,525**	**2,550**	**96,075**
Additions	44,685	-	44,685
Derecognition from purchase option exercised	(28,112)	-	(28,112)
Balance, December 31, 2024	**110,098**	**2,550**	**112,648**
Accumulated depletion and depreciation (in US$'000)			
Balance, January 1, 2023	-	-	-
Depreciation expense	13,691	573	14,264
Balance, December 31, 2023	**13,691**	**573**	**14,264**
Depreciation expense	32,080	921	33,001
Derecognition from purchase option exercised	(6,109)	-	(6,109)
Balance, December 31, 2024	**39,662**	**1,494**	**41,156**
Net book value (In US$'000)			
Balance, December 31, 2023	79,834	1,977	81,811
Balance, December 31, 2024	**70,436**	**1,056**	**71,492**

The depreciation expense includes the amount of US$0.2 million (2023: US$1.5 million) capitalised as cost of crude oil inventory at December 31, 2024.

During the year, the Company purchased the Nong Yao FSO system following the exercise of the option to acquire the asset within the operating lease contract. The exercise price of the purchase option was accounted for as part of the Company's lease liabilities at December 31, 2023. At the date of transfer, the net carrying amount of the right-of-use asset was transferred to other property, plant and equipment (Note 10).

Lease liabilities

Set out below are the carrying amounts of the lease liabilities analysed as:

In US$'000	FPSO, FSO and MOPU	Buildings	Total
Current	28,074	672	28,746
Non-current	45,117	610	45,727
Balance, December 31, 2024	**73,191**	**1,282**	**74,473**

The discount rate used is 8.8% – 13.0% (2023: 13.0%), reflecting the Company's incremental borrowing rate. The undiscounted lease payments by maturity are as follows:

Lease payment maturity analysis – Contractual undiscounted cash flows (In US$'000)	FPSO, FSO and MOPU	Buildings	Total
Less than one year	31,240	793	32,033
Between 2 and 5 years	54,538	752	55,290
Total	**85,778**	**1,545**	**87,323**

NOTE 12 – Accounts Payable and Accrued Liabilities

In US$'000	December 31, 2024	December 31, 2023
Trade payables	29,243	21,868
Accruals	67,180	61,152
VAT payables	4,721	5,069
SRB payables	28,664	17,625
Others	969	2,784
Total	**130,777**	**108,498**

Trade payables are normally settled within 30 – 60 days terms (2023: 30 – 60 days term). The directors consider that the carrying amount of trade payables approximates their fair value.

NOTE 13 – Incentive Compensation Liability

The Company granted deferred share units ("DSU") to non-executive members of the board. Subject to meeting certain conditions as set out in the DSU plan, the grantee of a DSU is entitled to receive cash settlement of its DSU upon redemption. Cash settlement of DSUs are calculated based on the selected average share price of the Company at the redemption date. The compensation liability was measured at fair value on Level 1 fair value measurement based on the quoted market price available on the stock exchange. The number of outstanding DSU as at each reporting period, are as follows:

	Number of DSU
Balance, January 1, 2023	**-**
Granted	224,703
Settled	(16,312)
Balance, January 1, 2024	**208,391**
Granted	159,258
Settled	(10,718)
Balance, December 31, 2024	**356,931**

NOTE 14 – Decommissioning Obligations

In US$'000	December 31, 2024	December 31, 2023
Decommissioning obligations, beginning of the year	129,464	15,091
Acquisitions (Note 4)	-	144,769
Change in estimates	(57,691)	(45,599)
Accretion on decommissioning obligations (Note 19)	11,914	15,395
Settled during the year	(43)	(4)
Effects of movements in exchange rates	-	(188)
Balance, December 31	**83,644**	**129,464**

The Company's decommissioning obligations result from its ownership interest in oil and natural gas assets. The total decommissioning obligation is estimated based on the Company's net ownership interest in all wells, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The assumptions of decommissioning obligations are summarised as follows:

	December 31, 2024	December 31, 2023
Undiscounted cash flows (in US$'000)	$ 192,391	$ 256,619
Credit adjusted interest rate	8.8%	9.2%
Inflation rate	2%	2%
Timing of cash flows	4 – 18 years	4 – 13 years

NOTE 15 – Provision for Employee Benefits

Provision for employee benefits are as follows:

In US$'000	December 31, 2024	December 31, 2023
Statement of financial position		
Retirement benefits	8,721	9,074
Other long-term benefits	630	245
Total	**9,351**	**9,319**

In US$'000	December 31, 2024	December 31, 2023
Statement of profit or loss		
Retirement benefits	1,637	893
Other long-term benefits	34	20
For the year ended, December 31	**1,671**	**913**

The movement of provision for employee benefits during the year are as follows:

In US$'000	2024	2023
Balance, January 1	9,319	-
Acquired (Note 4)	-	9,696
Current service cost	1,365	757
Past service cost	219	13
Interest expense	87	144
	10,990	10,610
Gain from change in actuarial assumptions	(745)	(853)
Benefit paid	(1,007)	(75)
Foreign exchange difference	113	(363)
	(1,639)	(1,291)
Balance, December 31	**9,351**	**9,319**

Gain from change in actuarial assumptions recognised in other comprehensive income is as follows:

In US$'000	2024	2023
Change in financial assumptions	576	(704)
Change in demographic assumptions	-	8
Experience adjustment	(1,321)	(157)
Total	**(745)**	**(853)**

The significant actuarial assumptions used were as follows:

	% per annum	
	2024	2023
Discount rate	2.26	2.7
Salary increment rate	1.5 - 2.5	0.0 - 2.5
Turnover rate	0.0 – 7.0	0.0 – 6.0

Sensitivity analysis for each significant assumption used is as follows:

	Impact on defined retirement benefit			
	Increase 1%		Decrease 1%	
	2024	2023	2024	2023
Discount rate	(675)	(550)	758	619
Salary increment rate	728	615	(660)	(546)
Turnover rate	(699)	(571)	351	299

Maturity analysis of undiscounted benefit payments are as follows:

In US$'000	December 31, 2024	December 31, 2023
Not later than 1 year	732	745
Over 1 to 5 years	2,295	10,101
Over 5 to 10 years	11,267	1,961
Over than 10 years	9,567	11,511

NOTE 16 – Income Taxes

Income taxes recognised in statement of profit or loss and other comprehensive income comprised of the following:

In US$'000	2024	2023
Current tax:		
Current year tax	54,776	70,783
Prior year tax adjustment	13,488	380
Current tax expenses for the year end, December 31	**68,264**	**71,163**
Deferred tax:		
Relating to origination and reversal of temporary differences	(177,210)	(30,847)
Deferred tax expenses for the year end, December 31	**(177,210)**	**(30,847)**
Income taxes balance for the year end, December 31	**(108,946)**	**40,316**

A reconciliation of the expected tax expense to the actual current and deferred taxes is as follows:

In US$'000	2024	2023
Net income before taxes	131,851	284,629
Average effective tax rate	47.4%	49.2%
Income tax expense calculated at average effective tax rate	**62,497**	140,034
Non-deductible expenses	32,651	24,497
Income not subject to tax – Bargain purchase gain	-	(119,072)
Tax credit (1)	(28,099)	(27,932)
Change in unrecognised deferred tax assets	(188,627)	20,691
Prior year tax adjustment	13,488	380
Non-taxable items and other	(856)	1,718
Income tax (recovery) expense recognised in profit or loss	**(108,946)**	**40,316**

(1) Under the Thai I fiscal regime (which applies to the B5/27 concession), royalties relating to crude oil sold domestically in Thailand are creditable for income tax purposes, and accordingly are identified here as a tax credit.

	2024	2023
Current tax expense	**68,264**	**71,163**
Deferred tax recovery	**(177,210)**	**(30,847)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

In US$'000	December 31, 2024	December 31, 2023
Deferred tax liabilities	71,235	123,402
Deferred tax assets	217,259	92,216
Total	**146,024**	**31,186**

Movement of deferred tax liabilities during the current and prior reporting period is as follow:

In US$'000	December 31, 2024	December 31, 2023
Balance at beginning of the year	31,186	-
Acquisition (Note 4)	-	62,033
Charge to profit or loss	(26,521)	(30,847)
Balance, December 31	**4,665**	**31,186**

Movement of deferred tax assets during the current and prior reporting period is as follow:

In US$'000	December 31, 2024	December 31, 2023
Balance at beginning of the year	-	-
Credit to profit or loss	150,689	-
Balance, December 31	**150,689**	**-**

The Company recognised deferred taxes on temporary differences arising from accelerated tax depreciation, right-of-use assets, provisions and other liabilities and unused tax losses.

At the reporting date, following the completion of an internal restructuring of its subsidiaries in Thailand, the Company's unused tax losses available for offset against future profits included US$373.2 million, subject to final approval from the tax authorities. In determining the deferred tax asset to be recognised, the Company assessed the probability of utilising the benefits on these tax losses by considering the future profits that are expected to be generated from the oil and gas properties held by the subsidiary.

No deferred tax asset has been recognised in respect of tax losses of US$122.7 million (2023: US$533.0 million) as it is not considered probable that there will be future taxable profits available. The unrecognised tax losses will expire between 2025 to 2045.

NOTE 17 – Share Capital

(a) Authorised

The Company has authorised an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

(b) Share repurchases

On November 12, 2024, the Company received approval from Toronto Stock Exchange to make a Normal Course Issuer Bid ("NCIB") to purchase up to 7.39 million common shares from November 14, 2024 to November 13, 2025. For the year ended December 31, 2024, the Company purchased and cancelled 348,800 common shares through the NCIB. The shares purchases were recorded at a volume weighted average book value price of CAD2.76 per common share equating to a total of CAD1.0 million. Retained earnings was reduced by CAD1.2 million representing the excess of the purchase price of the common shares over their average carrying value.

Common shares	Number of Shares	Amount (US$'000)
Balance, January 1, 2023	87,148,489	180,116
Shares issued pursuant to equity financing, net of share issue costs	3,937,000	6,853
Shares issued pursuant to stock options exercises	2,369,337	1,568
Shares issued pursuant to SPV NCI acquisition	9,500,000	14,590
Balance, December 31, 2023	**102,954,826**	**203,127**
Shares issued pursuant to stock options exercises	3,973,942	3,387
Shares issued pursuant to RSU vested	70,245	112
Shares repurchased under NCIB	(348,800)	(674)
Balance, December 31, 2024	**106,650,213**	**205,952**

(c) Stock options

Valeura has an option programme that entitles officers, directors, employees and consultants to purchase shares in the Company. Options are granted at the market price of the shares at the date of grant, have a seven-year term and vest over three years.

The number and weighted average exercise prices of stock options are as follows:

Stock Options	Number of Options	Weighted average exercise price (CAD)
Balance, January 1, 2023	7,981,666	0.73
Granted	550,000	2.22
Exercised	(2,369,337)	0.55
Forfeited	(124,165)	1.30
Balance, December 31, 2023	**6,038,164**	**0.92**
Exercised	(3,973,942)	0.71
Forfeited	(122,558)	0.46
Balance, December 31, 2024	**1,941,664**	**1.40**
Exercisable at December 31, 2024	**1,013,337**	**1.00**

The following table summarises information about the stock options outstanding at December 31, 2024:

Exercise prices (CAD)	Outstanding at December 31, 2024	Weighted average remaining life (years)	Weighted average exercise price (CAD)	Exercisable at December 31, 2024	Weighted average exercise price (CAD)
\$0.25 - \$0.39	130,000	2.2	$ 0.25	130,000	$ 0.25
\$0.40 - \$0.53	383,333	3.2	0.52	383,333	0.52
\$0.54 - \$1.06	100,000	2.0	0.54	100,000	0.54
\$1.07 - \$1.84	828,332	4.2	1.58	266,670	1.58
\$1.85 - \$2.15	99,999	5.2	2.10	-	-
\$2.16 - \$2.26	150,000	5.3	2.19	50,000	2.19
\$2.27 - \$2.32	250,000	5.1	2.32	83,334	2.32
	1,941,664	**4.0**	**$ 1.40**	**1,013,337**	**$ 1.00**

There were no stock options granted during the year (2023: The fair value of stock options granted is CAD0.9 million). The weighted average share price on exercise date is CAD5.08 (2023: CAD2.78). The expected volatility is based on historical volatility.

The fair value, at the grant date during the year 2023, of the stock options issued was estimated using the Black-Scholes model with the following weighted average inputs:

Assumptions	December 31, 2023
Risk free interest rate (%)	3.9
Expected life (years)	4.3
Expected volatility (%)	93
Forfeiture rate (%)	10
Weighted average fair value per option (CAD)	1.57

(d) Performance share units and Restricted share units

The Company has a share-based compensation programme of performance share units ("PSU") and restricted share units ("RSU") granted to certain employees of the Company. The vesting of PSU and RSU are subject to vesting date and certain employment conditions. The PSU is also subject to certain performance conditions. The following table summarises information about the PSU & RSU outstanding at reporting date:

	RSU (US$'000)	PSU (US$'000)
Balance outstanding, January 1, 2023	**-**	**-**
Amortised	292	394
Vested	-	-
Balance, December 31, 2023	**292**	**394**
Amortised	1,042	1,490
Vested	(261)	(185)
Balance, December 31, 2024	**1,073**	**1,699**

The number of outstanding PSU & RSU as at year end are as follows:

	Number of RSU	Number of PSU
Balance, January 1, 2023	**-**	**-**
Granted	532,909	966,524
Balance, December 31, 2023	**532,909**	**966,524**
Granted	373,250	672,563
Vested	(168,926)	(322,174)
Balance, December 31, 2024	**737,233**	**1,316,913**

The fair value, at the grant date during the year, of the PSU issued was estimated using the Monte Carlo simulation model with the following weighted average inputs:

Assumptions	December 31, 2024	December 31, 2023
Risk free interest rate (%)	3.9 – 4.1	3.9 - 4.4
Expected life (years)	3.0	2.8
Expected volatility (%)	148 - 150	168 - 173

The fair value of the PSUs granted during the year is CAD4.0 million (2023: CAD1.9 million). The expected volatility is based on historical volatility.

NOTE 18 – General and Administrative

The components of general and administrative expenses are as follows:

In US$'000	2024	2023
Salaries and benefits (1)	18,493	16,285
Transaction costs	-	970
Share-based compensation - Stock options (2)	530	1,292
Share-based compensation - PSU (2)	2,605	394
Share-based compensation - RSU (2)	1,290	292
Share-based compensation - DSU	1,501	446
Others (3)	7,215	8,507
Total	**31,634**	**28,186**

(1) Includes salaries, benefits, and bonuses earned by all Directors, Officers and employees of the Company.
(2) Represents the amortisation of share-based compensation expense in the year associated with stock options, PSU, and RSU granted to executive officers, directors and certain employees.
(3) Includes costs such as rent, professional fees, insurance, travel, office, business development, and other business expenses incurred by the Company.

Compensation for executive officers and directors comprises the following:

In US$'000	2024	2023
Salaries and benefits (1)	6,215	3,190
Stock options (2)	286	649
DSU	1,501	446
PSU (2)	2,575	394
RSU (2)	999	292
Executive officers and directors compensation	**11,576**	**4,971**

(1) Includes salaries, benefits and bonuses earned by executive officers, and directors, comprised chairman of the board, chief executive officer, chief financial officer, chief operating officer, executive vice president, and other independent Directors.
(2) Represents the amortisation of share-based compensation expense in the year associated with stock options, PSU, and RSU granted to executive officers and directors.

NOTE 19 – Finance Costs

In US$'000	2024	2023
Interest expense and commitment fee on facility	-	417
Amortisation of financing transaction costs	-	6,545
Accretion on decommissioning obligations (Note 14)	11,914	15,395
Accretion on contingent consideration	97	494
Interest expenses on lease liabilities (Note 11)	8,216	7,315
Financing fee	8,220	3,856
Total	**28,447**	**34,022**

NOTE 20 – Other Expenses

In US$'000	2024	2023
Impairment on E&E asset (Note 9)	-	4,279
Impairment loss on receivable (Note 25)	-	955
Foreign exchange loss	-	183
Total	**-**	**5,417**

NOTE 21 – Other Income

In US$'000	2024	2023
Interest income	2,901	1,918
Reversal of provisions	1,673	-
Net change in contingent consideration (Note 4)	793	905
Foreign exchange gain	606	-
Reimbursement of Licence G6/48	-	5,000
Others	4,225	4,498
Total	**10,198**	**12,321**

NOTE 22 – Credit Facility

The Company's account performance security guarantee facility ("APSG Facility") with Export Development Canada with a limit of US$4.0 million (2023: US$11.0 million) was renewed to December 31, 2025. The APSG Facility, which was issued to National Bank of Canada ("NBC"), allows the Company to use the APSG Facility as collateral for certain letters of credit issued by NBC. Following completion of the Company's acquisition of the Nong Yao FSO vessel in June 2024, a US$7.2 million letter of credit was released in July 2024. As at December 31, 2024, there was approximately US$3.0 million in letters of credit issued under the APSG Facility (2023: US$10.2 million).

NOTE 23 – Supplemental Statement of Cash Flow

Accounts payable and accrued liabilities include SRB payables. The SRB payables as at December 31, 2024 was US$28.7 million (2023: US$17.6 million).

	For the year ended	
In US$'000	December 31, 2024	December 31, 2023
Change in non-cash working capital:		
Trade and other receivables	26,568	(9,013)
Prepaid expenses and deposits	5,551	(1,721)
Inventory	12,195	30,600
Accounts payable and accrued liabilities	22,416	(68,026)
Movements in exchange rates	-	(2,251)
Balance, December 31	**66,730**	**(50,411)**
Operating	60,712	(54,038)
Investing [1]	6,018	3,627
Balance, December 31	**66,730**	**(50,411)**

(1) Accruals of capital expenditure which are development drilling and facility accruals.

Changes in liabilities arising from financing activities:
The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated cash flow statement as cash flows used in financing activities.

In US$'000	January 1, 2024	Financing cash flows	Non-cash Amortisation of financing transaction (Note 19)	Non-cash Acquisition (Note 4)	Non-cash Lease Addition (Note 11)	Non-cash Interest expense (Note 19)	Non-cash Others	December 31, 2024
Lease liabilities (Note 11)	**73,635**	(33,063)	-	-	44,685	8,216	(19,000) [1]	**74,473**

(1) Relates to the exercise of option to purchase the Nong Yao FSO system (Note 10).

In US$'000	January 1, 2023	Financing cash flows	Non-cash Amortisation of financing transaction (Note 19)	Non-cash Acquisition (Note 4)	Non-cash Lease Addition (Note 11)	Non-cash Interest expense (Note 19)	Non-cash Others	December 31, 2023
Facilities	**11,090**	(17,635)	6,545	-	-	-	-	**-**
Lease liabilities (Note 11)	**-**	(28,136)	-	48,575	48,881	7,315	(3,000)	**73,635**

NOTE 24 – Earnings per Share

Basic earnings per share are based on net income attributable to the common shareholders and is calculated based upon the weighted - average number of common shares outstanding during the periods presented.

	December 31, 2024	December 31, 2023
Net income attributable to shareholders of the Company (In US$'000)	**240,797**	**245,026**
Weighted average number of ordinary shares for the purposes of basic earnings per share (in thousands unit)	105,778	99,227
Earnings for the purposes of basic earnings per share (in US$)	**2.28**	**2.47**
Weighted average number of ordinary shares for the purposes of diluted earnings per share from: (in thousands unit)		
Stock options	1,368	3,891
PSU	1,317	967
RSU	737	533
Weighted average number of ordinary shares for the purposes of diluted earnings per share (in thousands unit)	109,200	104,618
Earnings for the purposes of diluted earnings per share (in US$)	**2.21**	**2.34**

NOTE 25 – Financial Risk Management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production, and financing activities such as:

- Credit risk
- Market risk
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. In light of the significant increase in complexity and scope of the business following the Mubadala and Kris Acquisitions management and the board will continue to reassess the Company's risk management framework and policies to ensure of their appropriateness.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from oil and natural gas marketers and partners. The maximum exposure to credit risk is as follows:

In US$'000	December 31, 2024	December 31, 2023
Trade receivables	17,761	49,463
Reimbursement of Licence G6/48 contingent payment, including VAT	-	5,350
Others	2,378	900
Financial assets included in trade and other receivables	**20,139**	**55,713**
Tax receivable	18,298	10,354
Total trade and other receivables	**38,437**	**66,067**

Trade receivable
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company's trade receivables balance is primarily attributable to sale of hydrocarbons. The management has assessed there is no exposure on the recovery of such debts, based on its experience of past dealing with these customers.

Trade receivables are non-interest bearing and are generally on 30 days (2023: 30 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Tax receivable
Included in the carrying amount is an allowance of US$3.2 million (2023: US$4.3 million) on withholding tax receivable, which management assessed to be unrecoverable following a tax audit on one of the Company's subsidiaries and management's estimation on probability of being unrecoverable.

Market risk
Market risk is the risk that changes in market conditions, such as commodity prices, foreign exchange rates and interest rates will affect the Company's income or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the Company's return.

Foreign currency risk:
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk in changes in foreign exchange rates relates primarily to the Company's operating activities and the Company's net investments in foreign subsidiaries and joint arrangements. The Company's transactions are principally denominated in US$. However, payments to governments such as royalties, taxes and SRB payments, and to local contractors are paid in local currency in Canada, Türkiye, and Thailand. The Company incurs foreign currency risk on transactions and balances that are denominated in currencies other than US$.

Sensitivity analysis
The following table details the sensitivity to a certain percentage increase and decrease in sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transition at the period end for a certain percentage change in foreign currency rates.

If the relevant foreign currency strengthens by 10% against the functional currency of each entity, the Company's profit for the financial year will increase by:

At December 31, 2024 (In US$'000)	Movement %	Strengthening	Weakening
Impact to profit or loss			
Thai Baht	10	1,912	(1,912)
Canadian Dollar	10	148	(148)
Turkish Lira	10	47	(47)

Commodity price risk:
The Company has exposure to price risk in its exploration and production of oil business. The Company has not used derivative financial instruments to hedge exposure to oil price fluctuations. The results of operations and cash flows of oil production can vary significantly with fluctuations in the market prices of hydrocarbons. These are affected by factors outside the Company's control, including market forces of supply and demand and regulatory and political actions of governments.

Interest rate risk:
Interest rate risk is the risk that future cash flows or valuations of assets or liabilities will fluctuate as a result of changes in market interest rates. A 1% increase or decrease is used when management assesses changes in interest rate risk internally. No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's financial liabilities consist of accounts payable. Accounts payable consists of invoices payable to trade suppliers for field operating activities, capital expenditures and office expenses. The Company processes invoices within a normal payment period. Accounts payable have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash which is used to finance all operating and capital expenditures.

Capital management
The Company's objective when managing capital is to maintain a flexible capital structure which allows it to execute its growth strategy through expenditures on exploration, development, and acquisition activities while maintaining a strong financial position. As at December 31, 2024, the Company had working capital of US$155.3 million which included cash and cash equivalents and restricted cash of US$237.6 million.

Management will continuously monitor and manage the Company's capital and liquidity position in order to assess the requirement for changes to the capital structure to meet the objectives and to maintain flexibility. The Company's overall strategy remains unchanged from 2023.

Fair value of financial assets and liabilities
The Company's fair value measurements are classified as one of the following levels of the fair value hierarchy:

- Level 1 – inputs represent unadjusted quoted prices in active markets for identical assets and liabilities. An active market is characterised by a high volume of transactions that provides pricing information on an ongoing basis.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These valuations are based on inputs that can be observed or corroborated in the marketplace, such as market interest rates or forecasted commodity prices.
- Level 3 – inputs for the asset or liability are not based on observable market data.

The Company aims to maximise the use of observable inputs when preparing calculations of fair value. Classification of each measurement into the fair value hierarchy is based on the lowest level of input that is significant to the fair value calculation.

The fair value of cash and cash equivalents, accounts receivable, royalty receivable, and accounts payable and accrued liabilities approximate their carrying amounts due to their short terms to maturity. There were no transfers between Level 1 and 2 during the current or prior year.

As at December 31, 2023, the fair value of contingent considerations arising from its KrisEnergy Acquisition and Mubadala Acquisition amounted to US$7.0 million and US$0.7 million respectively. The contingent consideration of US$7.0 million arising from its KrisEnergy Acquisition has been paid during the year. The fair value of the contingent consideration arising from its Mubadala Acquisition was determined based on Monte Carlo simulation of the future expected Dubai crude oil price. The fair value was classified within Level 2 of the fair value hierarchy. There was no significant unobservable input for fair value measurement. As at December 31, 2024, the Company reversed the contingent consideration of US$0.7 million as the arithmetical average of the daily "close" of all quotations in US dollars for Dubai crude oil in the Platts Crude Oil Marketwire did not exceed US$100/bbl in 2024.

Categories of financial instruments

The following table sets out the categories of financial instruments as at the end of the reporting period:

In US$'000	December 31, 2024	December 31, 2023
Financial assets		
At amortised cost		
Cash and cash equivalents	236,543	133,866
Restricted cash (Note 6)	22,811	17,299
Trade and other receivables (Note 7)	20,139	55,713
Total	**279,493**	**206,878**

In US$'000	December 31, 2024	December 31, 2023
Financial liabilities		
At amortised cost		
Trade payables (Note 12)	29,243	21,868
Other current liabilities [(1)]	68,149	63,936
Lease liabilities (Note 11)	74,473	73,635
At FVTPL		
Incentive compensation liability	1,799	423
Contingent consideration	-	7,697
Total	**173,664**	**167,559**

(1) Other current liabilities are comprised of accruals and other provision as disclosed in Note 12.

NOTE 26 – Geographic Segmented Information

Information reported to the Company's Chief Executive (the Chief Operating Decision Maker ("CODM")) for the purposes of resource allocation and assessment of segment performance is focused on the category of geography and each type of activity. The Company's CODM monitors the segment performances by type of activity which are producing assets, non-producing assets and corporate business. The current producing assets are ongoing production operations on oil fields in Thailand. The non-producing assets are exploration in Türkiye. The following is an analysis of the Company's revenue and results by reportable segment in 2024 and 2023:

In US$'000	E&E and Producing assets Thailand	Exploration and evaluation assets Türkiye	Corporate	Total
December 31, 2024				
Revenue and other income	**688,538**	**-**	**454**	**688,992**
Expenses				
Operating	186,407	-	-	186,407
Exploration	3,092	-	-	3,092
General and administrative	13,168	407	18,059	31,634
Royalties	81,723	-	-	81,723
Special remuneratory benefit (SRB)	29,221	-	-	29,221
Finance costs	20,026	114	8,307	28,447
Depletion and depreciation	197,261	1	342	197,604
Profit (loss) before other items and tax	**157,640**	**(522)**	**(26,254)**	**130,864**
Change in net monetary position due to hyperinflation	-	987	-	987
Profit (loss) for the year before income taxes	**157,640**	**465**	**(26,254)**	**131,851**
Deferred tax recovery	(175,879)	-	(1,331)	(177,210)
Tax expense	67,865	-	399	68,264
Net income (loss)	**265,654**	**465**	**(25,322)**	**240,797**
Non-current assets [(1)]	**324,509**	**3,216**	**16,267**	**343,992**

(1) Non-current assets consist of oil and gas properties, right-of-use assets and E&E assets.

In US$'000	Producing assets Thailand	Exploration and evaluation assets Türkiye	Corporate	Total
December 31, 2023				
Revenue and other income	**504,419**	**-**	**454**	**504,873**
Expenses				
Operating	180,192	-	-	180,192
Exploration	1,441	-	-	1,441
General and administrative	10,275	425	17,486	28,186
Royalties	66,664	-	-	66,664
Special remuneratory benefit (SRB)	15,123	-	-	15,123
Finance costs	33,863	159	-	34,022
Depletion and depreciation	128,655	1	63	128,719
Other expenses	3,876	337	299	4,512
Profit (loss) before other items and tax	**64,330**	**(922)**	**(17,394)**	**46,014**
Bargain purchase gain	238,143	-	-	238,143
Change in net monetary position due to hyperinflation	-	472	-	472
Profit (loss) for the year before income taxes	**302,473**	**(450)**	**(17,394)**	**284,629**
Deferred tax recovery	(30,847)	-	-	(30,847)
Tax expense	71,163	-	-	71,163
Net income (loss)	**262,157**	**(450)**	**(17,394)**	**244,313**
Non-current assets [(1)]	**407,783**	**2,442**	**534**	**410,759**

(1) Non-current assets consist of oil and gas properties, right-of-use assets and E&E assets.

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current year (2023: nil)

Information about major customers

In 2024, there were three customers (2023: one) that individually contributed to more than 10% of the Company's revenue. Included in revenues arising from producing assets in Thailand are revenues of approximately US$533.7 million (2023: US$493.5 million) which arose from sales to the Company's top three customers. No other single customers contributed 10 per cent or more to the Company's revenue in either 2024 or 2023.

NOTE 27 – Commitments

Commitments to supplier contracts
Offshore Production Rig and Vessel
Future minimum payments under non-cancellable supplier contracts:

In US$'000	December 31, 2024	December 31, 2023
Within one year	76,238	29,127
After one year but within five years	69,794	101,788
Total	**146,032**	**130,915**

Other supplier contracts
Future minimum payments under non-cancellable supplier contracts:

In US$'000	December 31, 2024	December 31, 2023
Within one year	21,872	12,911
After one year but within five years	59,305	5,606
Total	**81,177**	**18,517**

NOTE 28 – Reclassifications of Presentation of Statement of Profit or Loss and Other Comprehensive Income

During the year, the management has improved the presentation of statement of profit or loss and other comprehensive income to be more relevant and useful for the users of financial statements. Accordingly, the Company has reclassified certain items on the statement of profit or loss and other comprehensive income. The reclassification of each of the affected financial line items for the previous financial year ended December 31, 2023 are as follows:

In US$'000	As previously reported December 31, 2023	As reclassed December 31, 2023
Revenue and other income		
Oil revenues	493,457	493,457
Royalties	(66,664)	-
Net oil revenues	**426,793**	**493,457**
Other income	11,416	12,321
	438,209	**505,778**
Expenses		
Operating	180,192	180,192
Exploration	1,441	1,441
Royalties	-	66,664
Special remuneratory benefit (SRB)	15,123	15,123
General and administrative	25,238	28,186
Net change in contingent consideration	(905)	-
Impairment on E&E asset	4,279	-
Impairment loss on receivable	955	-
Transaction costs	970	-
Finance costs	34,022	34,022
Foreign exchange loss (gain)	183	-
Share-based compensation	1,978	-
Depletion and depreciation	128,719	128,719
Other expenses	-	5,417
	392,195	**459,764**
Profit for the year before other items	**46,014**	**46,014**

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