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International Petroleum Corporation

***Interim Condensed Consolidated
Financial Statements***

For the three and six months ended June 30, 2025



**International
Petroleum
Corp.**

Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

Contents

Interim Condensed Consolidated Statement of Operations	3
Interim Condensed Consolidated Statement of Comprehensive Income	4
Interim Condensed Consolidated Balance Sheet	5
Interim Condensed Consolidated Statement of Cash Flow	6
Interim Condensed Consolidated Statement of Changes in Equity	7
Notes to the Interim Condensed Consolidated Financial Statements	8

Interim Condensed Consolidated Statement of Operations

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

USD Thousands	Note	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Revenue	2	158,892	219,040	337,384	425,459
Cost of sales					
Production costs	3	(103,910)	(111,381)	(207,289)	(227,126)
Depletion and decommissioning costs	8	(29,321)	(32,661)	(58,337)	(65,814)
Depreciation of other tangible fixed assets	8	(1,461)	(2,218)	(3,378)	(4,480)
Exploration and business development costs		(537)	(72)	(568)	(147)
Gross profit	2	23,663	72,708	67,812	127,892
Other income/(expenses)		238	–	523	–
General, administration and depreciation expenses		(4,043)	(3,980)	(8,712)	(7,929)
Profit before financial items		19,858	68,728	59,623	119,963
Finance income	4	14,909	4,917	16,561	10,534
Finance costs	5	(14,750)	(14,965)	(35,257)	(30,352)
Net financial items		159	(10,048)	(18,696)	(19,818)
Profit before tax		20,017	58,680	40,927	100,145
Income tax expense	6	(6,167)	(13,470)	(10,846)	(21,216)
Net result		13,850	45,210	30,081	78,929
Net result attributable to:					
Shareholders of the Parent Company		13,848	45,202	30,077	78,914
Non-controlling interest		2	8	4	15
		13,850	45,210	30,081	78,929
Earnings per share – USD ¹	14	0.12	0.36	0.26	0.63
Earnings per share fully diluted – USD ¹	14	0.12	0.36	0.25	0.62

¹ Based on net result attributable to shareholders of the Parent Company

See accompanying notes to the interim condensed consolidated financial statements

Interim Condensed Consolidated Statement of Comprehensive Income

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

USD Thousands	Note	Three months ended June 30		Six months ended June 30	
		2025	2024	2025	2024
Net result		13,850	45,210	30,081	78,929
Other comprehensive income/(loss)					
Items that may be reclassified to profit or loss:					
Reclassification of hedging (gains)/losses to profit or loss	2	(4,715)	2,644	3,359	(6,562)
(Loss)/Gain on cash flow hedges		42,786	10,653	37,649	(34,766)
Income tax relating to these items		(9,068)	(3,070)	(9,770)	9,933
Currency translation adjustments		49,095	(8,839)	53,041	(31,211)
Total comprehensive income		91,948	46,598	114,360	16,323
Total comprehensive income attributable to:					
Shareholders of the Parent Company		91,944	46,600	114,351	16,323
Non-controlling interest		4	(2)	9	–
		91,948	46,598	114,360	16,323

See accompanying notes to the interim condensed consolidated financial statements

Interim Condensed Consolidated Balance Sheet

As at June 30, 2025 and December 31 2024, UNAUDITED

USD Thousands	Note	June 30, 2025	December 31, 2024
ASSETS			
Non-current assets			
Exploration and evaluation assets	7	3,967	480
Property, Plant and Equipment	8	1,719,182	1,500,912
Right-of-use assets		3,645	3,103
Deferred tax assets	6	1,134	1,673
Derivative instruments	18	1,006	–
Other non-current assets	9	52,037	48,665
Total non-current assets		1,780,971	1,554,833
Current assets			
Inventories	10	26,922	20,073
Trade and other receivables	11	111,756	127,450
Derivative instruments	18	23,024	3,219
Current tax receivables		2,317	1,514
Cash and cash equivalents	12	78,886	246,593
Total current assets		242,905	398,849
TOTAL ASSETS		2,023,876	1,953,682
LIABILITIES			
Non-current liabilities			
Financial liabilities	15	–	1,719
Bonds	15	442,262	439,862
Lease liabilities		3,090	2,728
Provisions	16	290,232	268,509
Deferred tax liabilities	6	119,191	92,754
Derivative instruments	18	–	562
Total non-current liabilities		854,775	806,134
Current liabilities			
Trade and other payables	17	195,207	176,371
Financial liabilities	18	3,863	3,402
Derivative instruments	18	–	19,869
Current tax liabilities		497	1,146
Lease liabilities		882	573
Provisions	16	6,037	6,717
Total current liabilities		206,486	208,078
EQUITY			
Shareholders' equity		962,467	939,315
Non-controlling interest		148	155
Net shareholders' equity		962,615	939,470
TOTAL EQUITY AND LIABILITIES		2,023,876	1,953,682

Approved by the Board of Directors

(Signed) C. Ashley Heppenstall
Director

(Signed) William Lundin
Director

See accompanying notes to the interim condensed consolidated financial statements

Interim Condensed Consolidated Statement of Cash Flow

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

		Three months ended June 30		Six months ended June 30	
USD Thousands	Note	2025	2024	2025	2024
Cash flow from operating activities					
Net result		13,850	45,210	30,081	78,929
Depletion, depreciation and amortization	2, 8	31,134	35,171	62,378	70,881
Income tax	6	6,167	13,470	10,846	21,216
Amortization of capitalized financing fees	5	529	500	1,048	1,010
Foreign currency exchange loss/(gain)	4, 5	(14,215)	1,556	(14,233)	3,617
Interest income	4	(694)	(4,917)	(2,328)	(10,534)
Interest expense	5	8,980	8,928	17,741	17,746
Unwinding of asset retirement obligation discount		4,115	3,641	8,072	7,259
Share-based costs		2,448	2,242	4,709	4,176
Changes in working capital		20,619	(22,067)	18,330	(71,027)
Decommissioning costs paid	16	(2,097)	(2,241)	(2,418)	(2,363)
Other payments	16	(125)	–	(828)	(504)
Net income taxes paid		46	3,742	(2,088)	277
Interests received		492	3,268	2,634	8,279
Interests paid		(55)	(48)	(16,406)	(16,414)
Other		1,806	130	2,051	316
Net cash flow from operating activities		73,000	88,585	119,589	112,864
Cash flow used in investing activities					
Investment in oil gas properties	8	(97,925)	(84,175)	(196,811)	(209,486)
Investment in other tangible fixed assets	8	(193)	–	(221)	–
Net cash (outflow) from investing activities		(98,118)	(84,175)	(197,032)	(209,486)
Cash flow from financing activities					
Repayments	15	(497)	(945)	(1,169)	(2,014)
Paid financing fees		(686)	–	(686)	–
Repurchase of own shares (“NCIB”)	13	(25,517)	(28,430)	(78,704)	(45,738)
Other payments		(246)	(249)	(464)	(472)
Dividend paid		(16)	–	(16)	–
Net cash (outflow) from financing activities		(26,962)	(29,624)	(81,039)	(48,224)
Change in cash and cash equivalents		(52,080)	(25,214)	(158,482)	(144,846)
Cash and cash equivalents at the beginning of the period		140,194	397,390	246,593	517,074
Currency exchange difference in cash and cash equivalents		(9,228)	(3,379)	(9,225)	(3,431)
Cash and cash equivalents at the end of the period		78,886	368,797	78,886	368,797

See accompanying notes to the interim condensed consolidated financial statements

Interim Condensed Consolidated Statement of Changes in Equity

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

USD Thousands	Share capital and premium	Retained earnings	CTA	IFRS 2 reserve	MTM reserve	Pension reserve	Total	Non-controlling interest	Total equity
Balance at January 1, 2025	141,173	875,952	(81,192)	18,092	(13,138)	(1,572)	939,315	155	939,470
Net result	–	30,077	–	–	–	–	30,077	4	30,081
Cash flow hedges	–	–	–	–	31,238	–	31,238	–	31,238
Currency translation difference	–	–	52,002	800	234	–	53,036	5	53,041
Total comprehensive income	–	30,077	52,002	800	31,472	–	114,351	9	114,360
Repurchase of own shares (NCIB) ¹	(78,704)	–	–	–	–	–	(78,704)	–	(78,704)
Dividend Distribution	–	–	–	–	–	–	–	(16)	(16)
Share based costs	–	–	–	4,709	–	–	4,709	–	4,709
Share based payments ²	–	(8,198)	–	(9,006)	–	–	(17,204)	–	(17,204)
Balance at June 30, 2025	62,469	897,831	(29,190)	14,595	18,334	(1,572)	962,467	148	962,615

¹ See Note 13

² The third instalment of IPC RSP 2022 awards, the second instalment of IPC RSP 2023 awards, the first instalment of IPC RSP 2024 awards and the IPC PSP 2022 awards vested on February 1, 2025, at a price of CAD 18.89 per award. The difference between the value at vesting date and at grant (respectively CAD 9.09 per award, CAD 14.24 per award, CAD 14.82 per award and CAD 8.40 per award) was offset against retained earnings.

USD Thousands	Share capital and premium	Retained earnings	CTA	IFRS 2 reserve	MTM reserve	Pension reserve	Total	Non-controlling interest	Total equity
Balance at January 1, 2024	243,361	795,490	(10,745)	18,838	31,344	1,786	1,080,074	185	1,080,259
Net result	–	78,914	–	–	–	–	78,914	15	78,929
Cash flow hedges	–	–	–	–	(31,395)	–	(31,395)	–	(31,395)
Currency translation difference	–	–	(28,227)	(2,221)	(748)	–	(31,196)	(15)	(31,211)
Total comprehensive income	–	78,914	(28,227)	(2,221)	(32,143)	–	16,323	–	16,323
Repurchase of own shares (NCIB) ¹	(46,627)	–	–	–	–	–	(46,627)	–	(46,627)
Dividend distribution	–	–	–	–	–	–	–	(41)	(41)
Share based costs	–	–	–	4,176	–	–	4,176	–	4,176
Share based payments ²	–	(21,740)	–	(6,131)	–	–	(27,871)	–	(27,871)
Balance at June 30, 2024	196,734	852,664	(38,972)	14,662	(799)	1,786	1,026,075	144	1,026,219

¹ See Note 13

² The third instalment of IPC RSP 2021 awards, the second instalment of IPC RSP 2022 awards, the first instalment of IPC RSP 2023 awards and the IPC PSP 2021 awards vested on February 1, 2024, at a price of CAD 14.90 per award. The difference between the value at vesting date and at grant (respectively CAD 4.07 per award, CAD 9.09 per award, CAD 14.27 per award and CAD 3.61 per award) was offset against retained earnings.

See accompanying notes to the interim condensed consolidated financial statements

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

1. CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

A. The Group

International Petroleum Corporation ("IPC" or the "Corporation" and, together with its subsidiaries, the "Group") is in the business of exploring for, developing and producing oil and gas. IPC holds a portfolio of oil and gas production assets and development projects in Canada, Malaysia and France with exposure to growth opportunities.

The Corporation's common shares are listed on the Toronto Stock Exchange ("TSX") in Canada and the Nasdaq Stockholm Exchange in Sweden. The Corporation is incorporated and domiciled in British Columbia, Canada under the Business Corporations Act. The address of its registered office is Suite 3500, 1133 Melville Street, Vancouver, BC V6E 4E5, Canada and its business address is Suite 2800, 1055 Dunsmuir Street, Vancouver, BC V7X 1L2, Canada.

B. Basis of preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting (together "IFRS Accounting Standards"). The unaudited interim condensed consolidated financial statements should be read in conjunction with IPC's annual audited consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting standards as issued by the IASB.

These unaudited interim condensed consolidated financial statements are presented in United States Dollars (USD), which is the Group's presentation and functional currency. The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for items that are required to be accounted for at fair value as detailed in the Group's accounting policies. Intercompany transactions and balances have been eliminated.

The unaudited interim condensed consolidated financial statements have been approved by the Board of Directors of IPC and authorized for issuance on August 5, 2025.

The unaudited interim condensed consolidated financial statements have been prepared following the same accounting policies and methods of application as those in the Group's audited annual consolidated financial statements for the year ended December 31, 2024.

C. Change in presentation

Certain comparative figures have been reclassified to conform with the financial statements presentation in the current year.

D. Going concern

The Group's unaudited interim condensed consolidated financial statements for the three and six months period ended June 30, 2025, have been prepared on a going concern basis, which assumes that the Group will be able to realize its assets and discharge its liabilities in the normal course of business as they become due in the foreseeable future.

E. Changes in accounting policies and disclosures

During the six months ended June 30, 2025, the Group applied the amended accounting standards, interpretations and annual improvement points that are effective as of January 1, 2025.

F. Future accounting changes

On April 9, 2024, the International Accounting Standards Boards issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), which aims to improve how companies communicate their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 is effective January 1, 2027. The Corporation is in the process of assessing the impact that the standard will have on its financial statements.

On May 30, 2024, the International Accounting Standards Board issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, which aim to improve the classification and measurement of financial instruments, including clarifications on contractual cash flow characteristics and environmental, social and governance-related features. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted. The Corporation is in the process of assessing the impact that these amendments will have on its financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

2. SEGMENT INFORMATION

The Group operates within several geographical areas. Operating segments are reported at a country level which is consistent with the internal reporting provided to the CEO, who is the chief operating decision maker.

The following tables present segment information regarding: revenue, production costs, other operating costs and gross profit/(loss). The Group derives its revenue from contracts with customers primarily through the transfer of oil and gas at a point in time. In addition, certain identifiable asset segment information is reported in Note 7 and 8.

USD Thousands	Three months ended June 30, 2025				Total
	Canada	Malaysia	France	Other	
Crude oil	140,002	11,828	11,463	–	163,293
NGLs	167	–	–	–	167
Gas	9,752	–	–	–	9,752
Net sales of oil and gas	149,921	11,828	11,463	–	173,212
Change in under/over lift position	–	–	1,559	–	1,559
Royalties	(20,885)	–	(732)	–	(21,617)
Hedging settlement	5,375	–	–	–	5,375
Other operating revenue	–	–	205	158	363
Revenue	134,411	11,828	12,495	158	158,892
Operating costs	(50,286)	(11,768)	(8,468)	–	(70,522)
Cost of blending	(33,269)	–	–	–	(33,269)
Change in inventory position	(315)	203	(7)	–	(119)
Depletion and decommissioning costs	(21,537)	(4,891)	(2,893)	–	(29,321)
Depreciation of other tangible fixed assets	–	(1,461)	–	–	(1,461)
Exploration and business development costs	–	–	–	(537)	(537)
Gross profit/(loss)	29,004	(6,089)	1,127	(379)	23,663

USD Thousands	Three months ended June 30, 2024				Total
	Canada	Malaysia	France	Other	
Crude oil	191,018	39,341	17,253	–	247,612
NGLs	275	–	–	–	275
Gas	6,675	–	–	–	6,675
Net sales of oil and gas	197,968	39,341	17,253	–	254,562
Change in under/over lift position	–	–	2,215	–	2,215
Royalties	(34,289)	–	(1,161)	–	(35,450)
Hedging settlement	(2,644)	–	–	–	(2,644)
Other operating revenue	–	–	237	120	357
Revenue	161,035	39,341	18,544	120	219,040
Operating costs	(49,801)	(7,229)	(7,804)	–	(64,834)
Cost of blending	(41,675)	–	–	–	(41,675)
Change in inventory position	(96)	(4,829)	53	–	(4,872)
Depletion and decommissioning costs	(22,486)	(6,893)	(3,282)	–	(32,661)
Depreciation of other tangible fixed assets	–	(2,218)	–	–	(2,218)
Exploration and business development costs	–	–	–	(72)	(72)
Gross profit/(loss)	46,977	18,172	7,511	48	72,708

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

Six months ended June 30, 2025

USD Thousands	Canada	Malaysia	France	Other	Total
Crude oil	302,024	27,204	24,277	–	353,505
NGLs	358	–	–	–	358
Gas	21,374	–	–	–	21,374
Net sales of oil and gas	323,756	27,204	24,277	–	375,237
Change in under/over lift position	–	–	2,700	–	2,700
Royalties	(43,673)	–	(1,572)	–	(45,245)
Hedging settlement	4,159	–	–	–	4,159
Other operating revenue	–	–	375	158	533
Revenue	284,242	27,204	25,780	158	337,384
Operating costs	(102,791)	(20,349)	(16,535)	–	(139,675)
Cost of blending	(70,995)	–	–	–	(70,995)
Change in inventory position	13	3,542	(174)	–	3,381
Depletion and decommissioning costs	(42,636)	(10,642)	(5,059)	–	(58,337)
Depreciation of other tangible fixed assets	–	(3,378)	–	–	(3,378)
Exploration and business development costs	–	–	–	(568)	(568)
Gross profit/(loss)	67,833	(3,623)	4,012	(410)	67,812

Six months ended June 30, 2024

USD Thousands	Canada	Malaysia	France	Other	Total
Crude oil	360,634	57,894	33,970	–	452,498
NGLs	519	–	–	–	519
Gas	21,092	–	–	–	21,092
Net sales of oil and gas	382,245	57,894	33,970	–	474,109
Change in under/over lift position	–	–	5,131	–	5,131
Royalties	(58,772)	–	(2,300)	–	(61,072)
Hedging settlement	6,562	–	–	–	6,562
Other operating revenue	–	–	454	275	729
Revenue	330,035	57,894	37,255	275	425,459
Operating costs	(109,690)	(14,245)	(16,715)	–	(140,650)
Cost of blending	(86,881)	–	–	–	(86,881)
Change in inventory position	43	210	152	–	405
Depletion and decommissioning costs	(45,390)	(13,923)	(6,501)	–	(65,814)
Depreciation of other tangible fixed assets	–	(4,480)	–	–	(4,480)
Exploration and business development costs	–	–	–	(147)	(147)
Gross profit/(loss)	88,117	25,456	14,191	128	127,892

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

3. PRODUCTION COSTS

USD Thousands	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Cost of operations	60,915	54,183	119,117	119,196
Tariff and transportation expenses	8,505	9,387	18,449	18,930
Direct production taxes	1,102	1,264	2,109	2,524
Operating costs	70,522	64,834	139,675	140,650
Cost of blending ¹	33,269	41,675	70,995	86,881
Change in inventory position	119	4,872	(3,381)	(405)
Total production costs	103,910	111,381	207,289	227,126

¹ In Canada, oil production is blended with purchased condensate diluent to meet pipeline specifications. Cost of blending represents the contracted purchase of diluent used for blending.

4. FINANCE INCOME

USD Thousands	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Foreign exchange gain, net	14,215	–	14,233	–
Interest income	694	4,917	2,328	10,534
Total finance income	14,909	4,917	16,561	10,534

5. FINANCE COSTS

USD Thousands	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Foreign exchange loss, net	–	1,556	–	3,617
Interest expense	8,980	8,928	17,741	17,746
Unwinding of asset retirement obligation discount	4,115	3,641	8,072	7,259
Amortization of capitalized financing fees	529	500	1,048	1,010
Loan commitment fees	314	223	544	445
Currency hedge losses, net	660	–	7,518	–
Other financial costs	152	117	334	275
Total finance costs	14,750	14,965	35,257	30,352

6. INCOME TAX

USD Thousands	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Current tax	(337)	(5,718)	(851)	(7,091)
Deferred tax	(5,830)	(7,752)	(9,995)	(14,125)
Total tax expense	(6,167)	(13,470)	(10,846)	(21,216)

The Group is within the scope of the OECD Pillar Two model rules. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

Specification of deferred tax assets and tax liabilities¹

USD Thousands	June 30, 2025	December 31, 2024
Unused tax loss carry forward	50,961	40,042
Derivative hedges	234	3,933
Other	5,221	10,302
Deferred tax assets	56,416	54,277
Accelerated allowances	168,775	145,358
Derivative hedges	5,698	–
Deferred tax liabilities	174,473	145,358
Deferred taxes, net	(118,057)	(91,081)

¹ The specification of deferred tax assets and tax liabilities does not agree to the face of the balance sheet due to the netting off of balances in the balance sheet when they relate to the same jurisdiction.

The deferred tax liabilities consist of accelerated allowances, being the difference between the book and the tax value of oil and gas properties and site restoration provisions. The deferred tax liabilities will be released over the life of the oil and gas assets as the book value is depleted for accounting purposes.

Deferred tax assets in relation to tax loss carried forwards are only recognized in so far that there is a reasonable certainty as to the timing and the extent of their realization. The recognized unused tax loss carry forward mainly relates to Canada. The Group has concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

7. EXPLORATION AND EVALUATION ASSETS

USD Thousands	Canada	Malaysia	France	Total
Cost				
January 1, 2025	480	–	–	480
Additions	3,399	–	–	3,399
Currency translation adjustments	88	–	–	88
Net book value June 30, 2025	3,967	–	–	3,967

USD Thousands	Canada	Malaysia	France	Total
Cost				
January 1, 2024	–	–	–	–
Additions	500	1,407	12	1,919
Write-off	–	(1,407)	(12)	(1,419)
Currency translation adjustments	(20)	–	–	(20)
Net book value December 31, 2024	480	–	–	480

8. PROPERTY, PLANT AND EQUIPMENT

USD Thousands	2025	2024
Oil and gas properties	1,705,940	1,484,487
Other tangible fixed assets	13,242	16,425
Property, Plant and Equipment	1,719,182	1,500,912

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

Oil and gas properties

USD Thousands	Canada	Malaysia	France	Total
Cost				
January 1, 2025	1,767,580	599,734	405,129	2,772,443
Additions	164,727	24,652	4,033	193,412
Change in estimates	1,230	–	–	1,230
Currency translation adjustments	97,429	–	51,675	149,104
June 30, 2025	2,030,966	624,386	460,837	3,116,189
Accumulated depletion				
January 1, 2025	(451,017)	(530,315)	(306,624)	(1,287,956)
Depletion charge for the period	(42,636)	(10,642)	(5,059)	(58,337)
Currency translation adjustments	(24,832)	–	(39,124)	(63,956)
June 30, 2025	(518,485)	(540,957)	(350,807)	(1,410,249)
Net book value June 30, 2025	1,512,481	83,429	110,030	1,705,940

USD Thousands	Canada	Malaysia	France	Total
Cost				
January 1, 2024	1,465,010	591,123	436,693	2,492,826
Additions	412,284	17,035	3,475	432,794
Disposals	(94)	–	–	(94)
Change in estimates	36,995	(8,424)	(9,018)	19,553
Reclassifications	(10,773)	–	–	(10,773)
Currency translation adjustments	(135,842)	–	(26,021)	(161,863)
December 31, 2024	1,767,580	599,734	405,129	2,772,443
Accumulated depletion				
January 1, 2024	(398,288)	(502,834)	(313,282)	(1,214,404)
Depletion charge for the year	(88,583)	(27,481)	(12,328)	(128,392)
Disposals	94	–	–	94
Currency translation adjustments	35,760	–	18,986	54,746
December 31, 2024	(451,017)	(530,315)	(306,624)	(1,287,956)
Net book value December 31, 2024	1,316,563	69,419	98,505	1,484,487

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

Other tangible fixed assets

USD Thousands	FPSO	Other	Total
Cost			
January 1, 2025	204,853	9,824	214,677
Additions	–	221	221
Disposals	–	(6)	(6)
Currency translation adjustments	–	792	792
June 30, 2025	204,853	10,831	215,684
Accumulated depreciation			
January 1, 2025	(190,056)	(8,196)	(198,252)
Depreciation charge for the period	(3,378)	(166)	(3,544)
Disposals	–	6	6
Currency translation adjustments	–	(652)	(652)
June 30, 2025	(193,434)	(9,008)	(202,442)
Net book value June 30, 2025	11,419	1,823	13,242

USD Thousands	FPSO	Other	Total
Cost			
January 1, 2024	204,853	10,048	214,901
Additions	–	363	363
Currency translation adjustments	–	(587)	(587)
December 31, 2024	204,853	9,824	214,677
Accumulated depreciation			
January 1, 2024	(181,123)	(8,340)	(189,463)
Depreciation charge for the year	(8,933)	(334)	(9,267)
Currency translation adjustments	–	478	478
December 31, 2024	(190,056)	(8,196)	(198,252)
Net book value December 31, 2024	14,797	1,628	16,425

The Floating Production Storage and Offloading facility ("FPSO") located on the Bertam field, Malaysia, is being depreciated to its residual value on a unit of production basis to August 2025. The depreciation charge is included in the depreciation of other assets line in the statement of operations.

For office equipment and other assets, the depreciation charge for the year is based on cost and an estimated useful life of 3 to 5 years. The depreciation charge is included within the general, administration and depreciation expenses in the Statement of Operations.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

9. OTHER NON-CURRENT ASSETS

USD Thousands	June 30, 2025	December 31, 2024
Financial assets	37,282	34,788
Intangible assets	14,755	13,877
	52,037	48,665

Financial assets mainly represent cash payments made in local currency to an asset retirement obligation fund for the Bertam field, Malaysia for an amount equivalent of USD 33.3 million (2024: USD 30.6 million). Financial assets also include cash-collateralized guarantees placed in 2023 in respect of work commitments in Malaysia amounting to USD 4.0 million.

Intangible assets mainly represent carbon offsets purchased in Canada.

10. INVENTORIES

USD Thousands	June 30, 2025	December 31, 2024
Hydrocarbon stocks	15,455	11,250
Well supplies and operational spares	11,467	8,823
	26,922	20,073

11. TRADE AND OTHER RECEIVABLES

USD Thousands	June 30, 2025	December 31, 2024
Trade receivables	75,708	94,265
Underlift	4,031	1,007
Joint operations debtors	2,648	1,432
Prepaid expenses and accrued income	19,103	12,346
Other	10,266	18,400
	111,756	127,450

Other receivables include secured amounts of USD 7.7 million towards the future asset retirement obligation for the Bertam field.

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include only cash at hand or held in bank accounts.

13. SHARE CAPITAL

The Corporation's issued common share capital is as follows:

	Number of shares
Balance at January 1, 2024	126,992,066
Cancellation of repurchased common shares (NCIB)	(7,822,595)
Balance at December 31, 2024	119,169,471
Cancellation of repurchased common shares (NCIB)	(5,814,939)
Balance at June 30, 2025	113,354,532

The common shares of IPC are listed to trade on both the Toronto Stock Exchange and the Nasdaq Stockholm Exchange. The Corporation is authorized to issue an unlimited number of Common Shares without par value.

As at January 1, 2024, IPC had a total of 126,992,066 common shares issued and outstanding, with no common shares held in treasury.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

During 2024, under the normal course issuer bid (NCIB) announced in December 2023 and renewed in December 2024, IPC purchased and cancelled an aggregate of 7,822,595 common shares.

As at December 31, 2024, IPC had a total of 119,169,471 common shares issued and outstanding, and held 110,156 common shares in treasury.

During the first six month of 2025, IPC purchased 5,492,965 common shares under the NCIB and 211,818 common shares under certain other exemptions in Canada. All of these purchased common shares, including the common shares held in treasury as at December 31, 2024, were cancelled during the first six month of 2025.

As at June 30, 2025, IPC had a total of 113,354,532 common shares issued and outstanding, with no common shares held in treasury.

In addition, IPC has 117,485,389 outstanding class A preferred shares, issued as a part of an internal corporate structuring to a wholly-owned subsidiary of IPC. Such preferred shares are not listed on any stock exchange and do not carry the right to vote on matters to be decided by the holders of IPC's common shares.

14. EARNINGS PER SHARE

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

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Net result attributable to shareholders of the Parent Company, USD	13,848,567	45,201,621	30,077,554	78,913,683
Weighted average number of shares for the period	115,156,270	125,414,090	117,207,237	126,216,022
Earnings per share, USD	0.12	0.36	0.26	0.63
Weighted average diluted number of shares for the period	116,613,413	127,026,090	118,664,380	127,828,022
Earnings per share fully diluted, USD	0.12	0.36	0.25	0.62

15. FINANCIAL LIABILITIES

USD Thousands	June 30, 2025	December 31, 2024
Current bank loans	3,863	3,402
Non current bank loans	–	1,719
Bonds	444,956	443,407
Capitalized financing fees	(2,694)	(3,545)
	446,125	444,983

As at June 30, 2025, IPC had USD 450 million of bonds outstanding, maturing in February 2027 with a fixed coupon rate of 7.25% per annum, payable in semi-annual instalments in August and February.

Of the USD 450 million of bonds outstanding, USD 150 million of bonds were issued at 7% discount to par value with proceeds amounting to USD 139.5 million before transaction costs. For accounting purposes, the discounted amount was recognised in the balance sheet and the discount will be unwound over the period to maturity of the bond and charged to the interest expense line of the statement of operations using the effective interest rate methodology.

The bond repayment obligations as at June 30, 2025, are classified as non-current as there are no mandatory repayments within the next twelve months.

In addition, as at June 30, 2025, the Group had a revolving credit facility of CAD 250 million (the "Canadian RCF") in connection with its oil and gas assets in Canada. During Q2 2025, the Group increased the Canadian RCF from CAD 180 million to CAD 250 million and extended the maturity date. The Canadian RCF has a maturity in May 2027 and was undrawn and fully available as at June 30, 2025. During 2024, the Group entered into a letter of credit facility in Canada (the "LC Facility") to cover existing operational letters of credit. As at June 30, 2025, operational letters of credit in an aggregate of CAD 40.2 million have been issued under the LC Facility, including letters of credit of CAD 35 million to support the third party pipeline construction agreements for the Blackrod project which are expected to be released when these pipelines become operational.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

As at June 30, 2025, IPC had an unsecured Euro credit facility in France (the “France Facility”), with maturity in May 2026. IPC makes quarterly repayments of the France Facility and the amount remaining outstanding under the France Facility as at June 30, 2025 was USD 3.9 million (EUR 3.3 million) which is classified as current representing the repayment planned within the next twelve months.

The Group is in compliance with the covenants of the bonds and its financing facilities as at June 30, 2025.

16. PROVISIONS

USD Thousands	Asset retirement obligation	Farm-in obligation	Pension obligation	Other	Total
January 1, 2025	267,790	1,679	3,685	2,072	275,226
Additions	–	–	–	523	523
Unwinding of asset retirement obligation discount	8,072	–	–	–	8,072
Payments	(2,418)	–	–	(828)	(3,246)
Change in estimates	1,230	–	–	–	1,230
estimates	764	–	–	–	764
Currency translation adjustments	13,491	103	–	106	13,700
June 30, 2025	288,929	1,782	3,685	1,873	296,269
Non-current	284,079	595	3,685	1,873	290,232
Current	4,850	1,187	–	–	6,037
Total	288,929	1,782	3,685	1,873	296,269

USD Thousands	Asset retirement obligation	Farm-in obligation	Pension obligation	Other	Total
January 1, 2024	253,949	2,176	551	2,078	258,754
Additions	–	–	682	544	1,226
Disposals	(197)	–	–	–	(197)
Unwinding of asset retirement obligation discount	14,568	–	–	–	14,568
Payments	(7,711)	(591)	(906)	(500)	(9,708)
Change in estimates	19,553	–	3,491	–	23,044
Reclassification ¹	1,013	–	–	–	1,013
Currency translation adjustments	(13,385)	94	(133)	(50)	(13,474)
December 31, 2024	267,790	1,679	3,685	2,072	275,226
Non-current	261,632	1,120	3,685	2,072	268,509
Current	6,158	559	–	–	6,717
Total	267,790	1,679	3,685	2,072	275,226

¹ The reclassification of the asset retirement obligation related to the 2024 payment to the asset retirement obligation fund in respect of the Bertam asset, Malaysia (see Note 9).

The farm-in obligation relates to future payments for historic costs on the Bertam field in Malaysia payable for every 1 MMboe gross that the field produces above 10 MMboe gross and is capped at cumulative production of 27.5 MMboe gross.

In calculating the present value of the asset retirement obligation provision, a blended rate of 6% (2024: 6%) per annum was used, based on a credit risk adjusted rate.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

17. TRADE AND OTHER PAYABLES

USD Thousands	June 30, 2025	December 31, 2024
Trade payables	37,324	42,634
Joint operations creditors	30,671	11,671
Accrued expenses	120,554	119,316
Other	6,658	2,750
	195,207	176,371

18. FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

June 30, 2025 USD Thousands	Total	Financial assets at amortized cost	Fair value recognized in profit or loss (FVTPL)	Derivatives used for hedging
Other assets ¹	37,282	37,282	–	–
Derivative instruments	24,030	–	–	24,030
Joint operation debtors	2,648	2,648	–	–
Other current receivables ²	92,322	88,291	4,031	–
Cash and cash equivalents	78,886	78,886	–	–
Financial assets	235,168	207,107	4,031	24,030

¹ See Note 9

² Prepayments are not included in other current assets as prepayments are not deemed to be financial instruments.

June 30, 2025 USD Thousands	Total	Financial liabilities at amortized cost	Fair value recognized in profit or loss (FVTPL)	Derivatives used for hedging
Non-current financial liabilities	442,262	442,262	–	–
Current financial liabilities	3,863	3,863	–	–
Joint operation creditors	30,671	30,671	–	–
Other current liabilities	165,033	165,033	–	–
Financial liabilities	641,829	641,829	–	–

December 31, 2024 USD Thousands	Total	Financial assets at amortized cost	Fair value recognized in profit or loss (FVTPL)	Derivatives used for hedging
Other assets ¹	34,788	34,788	–	–
Derivative instruments	3,219	–	–	3,219
Joint operation debtors	1,432	1,432	–	–
Other current receivables ²	115,186	114,179	1,007	–
Cash and cash equivalents	246,593	246,593	–	–
Financial assets	401,218	396,992	1,007	3,219

¹ See Note 9

² Prepayments are not included in other current assets as prepayments are not deemed to be financial instruments.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

December 31, 2024 USD Thousands	Total	Financial liabilities at amortized cost	Fair value recognized in profit or loss (FVTPL)	Derivatives used for hedging
Non-current financial liabilities	441,581	441,581	–	–
Current financial liabilities	3,402	3,402	–	–
Derivative instruments	20,431	–	–	20,431
Joint operation creditors	11,671	11,671	–	–
Other current liabilities	165,846	165,846	–	–
Financial liabilities	642,931	622,500	–	20,431

The carrying amount of the Group's financial assets and liabilities approximate their fair values at the balance sheet dates.

For financial instruments measured at fair value in the balance sheet, the following fair value measurement hierarchy is used:

- Level 1: based on quoted prices in active markets;
- Level 2: based on inputs other than quoted prices as within level 1, that are either directly or indirectly observable;
- Level 3: based on inputs which are not based on observable market data.

Based on this hierarchy, financial instruments measured at fair value can be detailed as follows:

June 30, 2025 USD Thousands	Level 1	Level 2	Level 3
Other current receivables	4,031	–	–
Derivative instruments – current	–	23,024	–
Derivative instruments – non-current	–	–	1,006
Financial assets	4,031	23,024	1,006
Derivative instruments – current	–	–	–
Derivative instruments – non-current	–	–	–
Financial liabilities	–	–	–

December 31, 2024 USD Thousands	Level 1	Level 2	Level 3
Other current receivables	1,007	–	–
Derivative instruments – current	–	3,219	–
Derivative instruments – non-current	–	–	–
Financial assets	1,007	3,219	–
Derivative instruments – current	–	19,869	–
Derivative instruments – non-current	–	–	562
Financial liabilities	–	19,869	562

The Group had oil price sale financial hedges outstanding as at June 30, 2025 which are summarized as follows:

Period	Volume (barrels per day)	Type	Average Pricing
July 1, 2025 - December 31, 2025	11,700	WTI/WCS Differential	USD -14.26/bbl
July 1, 2025 - December 31, 2025	10,000	WTI Sale Swap	USD 71.30/bbl
July 1, 2025 - December 31, 2025	4,000	WTI Collar	USD 65.00/bbl (Put) USD 75.45/bbl (Call)
July 1, 2025 - December 31, 2025	2,000	Brent Sale Swap	USD 75.78/bbl

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024, UNAUDITED

The Group had gas price sale financial hedges outstanding as at June 30, 2025 which are summarized as follows:

Period	Volume (barrels per day)	Type	Average Pricing
July 1, 2025 - October 31, 2025	20,000	AECO Gas Swap	CAD 2.25/GJ
July 1, 2025 - December 31, 2025	10,000	AECO Gas Swap	CAD 2.50/GJ

The Group had electricity financial hedges outstanding as at June 30, 2025 which are summarized as follows:

Period	Volume (MW)	Type	Average Pricing
October 1, 2025 - September 30, 2040	3	AESO	CAD 75.00/MWh

The Group entered into currency hedges to purchase :

- (i) a total CAD 230 million for the period July 2025 to December 2025 at an average rate of CAD 1.36 (sell USD);
- (ii) a total EUR 13.5 million for the period July 2025 to December 2025 at an average rate of EUR 1.07 (sell USD);
- (iii) a total MYR 66 million for the period July 2025 to December 2025 at an average rate of MYR 4.39 (sell USD).

All of the above hedges are treated as effective and changes to the fair value are reflected in other comprehensive income.

19. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

In the normal course of business, the Group has committed to certain payments which are not recognised as liabilities. The following table summarizes the Group's commitments in Canada as at June 30, 2025:

CAD Millions	2025	2026	2027	2028	2029	Thereafter
Transportation service ¹	17.5	59.3	89.2	94.3	98.2	1,421.9
Power ²	7.3	12.4	12.4	9.8	—	—
Total commitments	24.8	71.7	101.6	104.2	98.2	1,421.9

¹ IPC has firm transportation commitments on oil and natural gas pipelines that expire between 2037 and 2045.

² IPC has physical delivery power hedges to purchase 15MWh at a weighted average price of CAD 74.92/MWh from July 1, 2025 to December 31, 2028, an additional 5MWh at a weighted average price of CAD 58.31/MWh from July 1, 2025 to December 31, 2027, and an additional 5MWh at a weighted average price of CAD 46.85/MWh from July 1, 2025 to December 31, 2025.

20. RELATED PARTIES


The Group recognises the following related parties: associated companies, jointly controlled entities, key management personnel and members of their close family or other parties that are partly, directly or indirectly controlled by key management personnel or of its family or of any individual that controls, or has joint control or significant influence over the entity.

All transactions with related parties are in the normal course of business and are made on the same terms and conditions as with parties at arm's length.

During the first six month of 2025, the Group has not entered into material transactions with related parties.

21. SUBSEQUENT EVENTS

No events have occurred since June 30, 2025, that are expected to have a substantial effect on this report.



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