

Serica Energy plc
 ('Serica' or 'the Company')

Trading and operations update

Serica Energy plc (AIM: SQZ) issues the following trading and operations update in respect of the year ending 31 December 2025. Serica will issue 2025 full-year results on 26 March 2026.

Chris Cox, Serica's CEO, stated:

"Serica enters 2026 as a stronger, more resilient company, with increasingly diversified production and revenues that are set to rise materially from 2025 levels. Our recently announced acquisitions, as they complete throughout the year, will more than double the number of producing fields in our portfolio and materially add to cash generation, supporting our strategy of delivering value to investors through both growth and shareholder returns.

The expansion of our portfolio is delivering a greater number of attractive organic growth options, allowing us to cherry-pick those that offer the greatest return on investment, growing and sustaining material cash-generative production for Serica into the next decade."

2025 performance¹

| (boepd) | Q1 | Q2 | Q3 | Q4 | Average |
|-------------------------------|---------------|---------------|---------------|---------------|----------------|
| Bruce Hub | 17,200 | 16,300 | 15,400 | 15,400 | 16,100 |
| Triton Hub | 5,100 | - | 7,700 | 10,700 | 5,900 |
| Other Producing Assets | 5,200 | 5,600 | 4,400 | 6,000 | 5,300 |
| West of Shetland ² | - | - | - | 1,400 | 300 |
| Total | 27,500 | 21,900 | 27,500 | 33,500 | 27,600 |

- Production of 27,600 boepd in 2025 (2024: 34,600 boepd), in line with guidance
- Revenue of \$601 million (2024: \$727 million)
 - Average realised Brent oil price of \$67/bbl (2024: \$75/bbl)
 - Average realised NBP gas price of 84p/therm (2024: 76p/therm)
- Capital expenditure of \$250 million (2024: \$260 million), in line with guidance, the majority of which was spent on the Triton drilling programme
- Opex of \$365 million (2024: \$330 million), in line with guidance
- Cash tax paid of \$9 million in 2025 (2024: \$153 million)
- Negative free cash flow of \$22 million (2024: negative free cash flow of \$1 million)
- Dividends paid of \$84 million, equating to 16p/share in 2025 (2024: 23p/share)
- Cash of \$31 million (31 December 2024: \$148 million) as at 31 December 2025, with outflow weighted to H2 due to both dividend payments being made in the period and H1 benefitting from the receipt of the \$71 million cash tax refund
- Total liquidity of \$290 million, comprising cash and undrawn committed RBL facility availability of \$259 million
 - Borrowings of \$231 million (31 December 2024: \$231 million), resulting in a net debt position of \$200 million as at 31 December 2025
- Serica continues to manage its hedge book in line with its stated hedging policy. For calendar years 2026 and 2027, the Company has hedged approximately 12,300 boepd and 7,100 boepd of production respectively. These hedges provide downside protection at effective

¹ All figures are unaudited and subject to amendment at the full-year results

² West of Shetland consists of production from the Lancaster field from and including 11 December 2025, when the acquisition of Prax Upstream Limited completed

floors of \$60/bbl for oil and 67p/therm for gas. As of the latest valuation, the hedge portfolio has a mark-to-market value of \$30 million in-the-money

Operational update

- Year to date production in 2026 of 43,000 boepd, with current rates of around 50,000 boepd
- The Bruce Hub continues to produce with high-uptime, albeit at rates that have not matched the asset potential as sustained bull-heading has not been possible through much of Q4 and the early part of this year while resilience integrity repairs were undertaken. Bull-heading operations have now recommenced and production returned to around 20,000 boepd net to Serica. Main activity on Bruce in 2026 is focused on enhancing reliability and the ability to deliver optimal well stock performance, and the extension of asset life. The planned shutdown in Q3 is expected to last approximately 24 days
- At the Triton Hub, work on the Bittern pipeline completed as planned in mid-December. Work on the second compressor has also now completed, the compressor has been commissioned, and the availability of two compressors is expected to deliver enhanced operational efficiency going forward. The operational focus in 2026 continues to be on increasing reliability, with refinement of the well mix in order to optimise stable production through one compressor, currently around 21,000 boepd net to Serica. The Evelyn EV-02 and Belinda wells (both Serica 100%) are now available to form part of this production mix. Following a period of stability on one compressor, there is the potential to move to twin compressor operations, increasing production net to Serica through allowing enhanced flow rates from new wells. The Operator of the Triton FPSO forecasts that the planned shutdown in Q3 will last for approximately 65 days
- West of Shetland, the Lancaster field (Serica 100% and operator) is producing at levels of around 6,000 boepd. The field is expected to remain around this level until production ceases, which is expected to be in Q2 2026. Bluewater, the FPSO operator, has advised Serica that the FPSO will leave the field in that period

Organic growth projects

- The Company is continuing to work intensively on high-grading its organic growth options, with a diverse and attractive opportunity set that with judicious investment can grow and sustain material cash-generative production for Serica well into the next decade
- Management will set out more details of Serica's next steps of investment, specifically the potential for infill drilling at the Bruce field, in the 2025 full-year results presentation on 26 March 2026
- Serica expects to follow this with an investor event in the Spring that will provide more details on the Company's capital allocation framework and portfolio of organic growth projects across our current and newly acquired assets

2026 outlook and guidance³

- Our materially expanded portfolio and increased asset reliability are expected in combination to result in a material year-on-year increase in average annual production to significantly over 40,000 boepd in 2026, with the extent to which production is above that level dependent on completion dates of acquisitions announced in H2 2025
- Subject to the completion of acquisitions announced in H2 2025, production from Serica's enlarged portfolio has the potential to exceed rates of 65,000 boepd, with the number of producing fields in the Serica portfolio set to more than double, significantly increasing the diversification and hence the reliability and predictability of overall Company production and revenues
- Opex of \$380-400 million expected in 2026, excluding around \$65 million related to the Lancaster FPSO charter up to the expected cessation of production

³ Where forward looking GBP spend has been converted to USD, an exchange rate of £1:\$1.35 has been used

- Base capital expenditure expected to be \$125-145 million in 2026. Over half of this relates to spend at the Bruce platform which is highly tax efficient. The range of projects being undertaken include investment on increasing the operational lifetime of both the Bruce and Triton hubs, with spend of around \$30 million on replacement of the WAD umbilical line at Bruce, and emissions reduction work on commissioning our Bruce flare gas recovery project
 - In addition, ahead of a potential infill drilling campaign, approximately \$50 million (the majority of which relates to Bruce infills) is expected to be spent on preparation and long lead items subject to Serica making a sanction decision on these activities
- Decommissioning spend set to total c.\$20 million, of which c.\$15 million relates to Lancaster
- Material free cash flow is set to be generated in 2026 at prevailing commodity prices, strengthening Serica's balance sheet in support of Serica's strategy and track record of growing the Company through organic portfolio investment while and delivering attractive shareholder returns
- Serica remains committed to moving from AIM to the Main Market of the LSE at the earliest viable opportunity in 2026
- The Company continues to be active in screening a broad range of cash-generative and value accretive M&A opportunities, primarily focused on the UK North Sea

Serica will host a live presentation on the Investor Meet Company platform today at 0900 GMT. The presentation is open to all existing and potential shareholders. Questions can be submitted at any time during the live presentation. Investors can sign up to Investor Meet Company for free and add to meet Serica Energy plc via: <https://www.investomeetcompany.com/serica-energy-plc/register-investor>.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR.

The technical information contained in the announcement has been reviewed and approved by Carla Riddell, Chief Technical Officer at Serica Energy plc. Ms. Riddell (B.Sc. Geology from University of Durham University, M.Sc. Palynology from University of Sheffield) has over 25 years of experience in oil & gas exploration, development and production and is a Fellow of the Geological Society of London and Energy Institute.

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NOTES TO EDITORS

Serica Energy is an independent British oil and gas company with a broad portfolio of assets located in the UK Continental Shelf (UKCS). The Company is responsible for about 5% of the UK's natural gas, which plays a significant role in supporting the country's energy transition, and has invested over £1 billion in the UK supply chain since 2020. Serica maintains a balanced output of oil and gas across its operations.

The Company's key producing assets are grouped around two major hubs: the Bruce, Keith, and Rhum fields in the Northern North Sea, where Serica is the operator; and a mix of operated and non-operated fields connected to the Triton FPSO in the Central North Sea.

Serica aims to create shareholder value through a mix of production from existing oil and gas fields, organic investment and M&A.

Having now completed the acquisition of Prax Upstream Limited, in H1 2026 Serica is also set to complete the acquisition of a 40% operated stake in the Greater Laggan Area offshore fields and associated Shetland Gas Plant from TotalEnergies, and non-operated interests in the Catcher and Golden Eagle Area Development fields from ONE-Dyas. In the second half of 2026 Serica also intends to complete the acquisition from Spirit Energy of a portfolio of Southern North Sea assets, including a 15% non-operated working interest in the Cygnus field; a 25% non-operated working interest in Clipper South; and operated positions across various assets in the Greater Markham Area, subject to satisfaction of regulatory and other customary conditions and completion of the consultation with the works council of Spirit Energy in the Netherlands.

Serica's shares trade on the AIM market of the London Stock Exchange (ticker: SQZ). More information about Serica is available on the Company's website (www.serica-energy.com). To receive news updates by email, interested parties can subscribe through the website.