

2 June 2026

Serica Energy plc
(‘Serica’ or ‘the Company’)

Capital Markets Day
Production growth, significant cash generation, and sustainable shareholder returns

Serica Energy Plc (AIM: SQZ) is today hosting a Capital Markets Day at which the Company will set out how its enlarged UKCS portfolio, strengthened balance sheet, and organic investment opportunities can support production growth, and deliver significant cash generation and sustained shareholder returns.

The Company will focus on its portfolio of short-cycle projects with the potential to add 30,000 boepd of incremental production, supporting annual average production of over 50,000 boepd into the next decade. The investment programme is expected to be highly tax-efficient and is forecast to be more than covered by free cash flow.

Serica is also announcing a dividend policy targeting 15-30% of post-tax Cash Flow from Operations from FY2026 onwards, supporting shareholder distributions at or above current levels while retaining the flexibility to fund value-accretive organic growth and M&A.

Chris Cox, Serica's CEO, stated:

“This is an exciting time for Serica. We have a multitude of opportunities in our newly expanded, well-balanced, portfolio set to deliver material cash generation that funds further value-accretive growth alongside sustainable shareholder returns into the next decade. Underpinned by a strong balance sheet and bolstered liquidity, we will share more details today about these growth projects and how we expect to deliver them. Our disciplined approach to capital allocation and value-accretive M&A means Serica is well positioned to continue its track record of creating long-term shareholder value.”

Short-cycle, tax efficient projects with the potential to grow production into the next decade

Serica is currently tendering for a rig to undertake a multi-well drilling programme targeting infill wells and tie-backs across the broader Serica portfolio. The Company is working towards formally contracting a rig in Q3 2026 to retain the ability, subject to all necessary consents and approvals, to commence drilling in early H2 2027.

Serica’s organic growth projects from which the 2027-2029 drilling programme is set to be selected comprise 34 mmbœ of non-producing 2P reserves and 2C resources of quick payback, short-cycle investment projects with the potential to add an incremental 30,000 boepd to production. This would support annual average production of over 50,000 boepd into the next decade, while delivering rates of return of over 40% on average across the programme. Projects with the ability to add near-term production include:

- Bruce infill drilling, targeting the production of 18.6 mmbœ of reserves, with first production possible 12-18 months from the start of drilling
- The Kyla field redevelopment, with 10.2 mmbœ of reserves, able to be produced via a single horizontal well tied-back to the Triton FPSO
- The Glendronach development and Tormore infill drilling, both of which are within the newly acquired Greater Laggan Area and, if developed, would be produced via the Serica-operated Shetland Gas Plant (‘SGP’)

Further details will also be given regarding the broader opportunity landscape West of Shetland, notably through operatorship of SGP, where Serica is working with joint venture partners and third-parties to secure additional gas volumes which drive further significant shareholder value as well as helping to boost UK gas security of supply.

The rig tender is for a firm period of 400 days, with the option for further extensions. The initial 400-day phase could potentially deliver a three-well programme at Bruce, with optionality for either decommissioning work and/or an additional development well at another asset. The estimated pre-tax cost of the Bruce infill programme is around \$400 million for drilling, completion and necessary facilities modifications. Capital spend on Bruce is highly tax-efficient, and is expected to benefit from up to 84.25% tax relief based on the prevailing tax regime.

Should all of our identified short-cycle development projects be delivered, a potential additional \$300-400 million pre-tax would be expected to be spent over the period to 2029, with production and returns from investment being delivered on a sequential basis as wells are tied in throughout the programme duration. The total investment programme is forecast to be more than covered by free cash flow in the period, on the basis of Serica's planning assumptions, including current consensus commodity prices.

Robust current production, significant cash flow

Serica production remains robust. Supported by Triton production of 20,400 boepd in Q2 to date, Q2 production averages 49,500 boepd, and year-to-date production 43,300 boepd. This, coupled with the higher-than-expected commodity price backdrop offset to an extent by our hedging portfolio, has supported the generation of significant cash flow, and as of 1 June 2026 the Company has cash of \$228 million and a net debt position of \$72 million (net debt of \$200 million as at 31 December 2025). Serica remains on track to be net cash at the end of June, with a robust liquidity position of \$684 million following the successful recent \$300 million Nordic bond issuance and the repayment of drawn RBL debt.

This strong financial position will allow Serica to optimise capital allocation across those opportunities which maximise shareholder value, while continuing to deliver sustainable shareholder returns and the ability to pursue value-accretive M&A.

A dividend policy set to continue material distributions

Serica's capital allocation framework prioritises maintaining balance sheet strength, funding high-return organic growth, pursuing value-accretive M&A, and delivering sustainable shareholder distributions.

Serica is today announcing a dividend policy designed to deliver attractive and sustainable shareholder returns while preserving flexibility to fund value-accretive organic growth and M&A. For FY2026 and thereafter, Serica will target dividends of 15-30% of post-tax Cash Flow from Operations ('CFFO'). This range is consistent with the level of Serica's historic shareholder distributions and is expected to support a continuation of the current 16p per share annual dividend, with potential for additional shareholder returns.

The new dividend policy will not apply in respect of the 10p final dividend relating to 2025, which was approved at the recent AGM and is payable on 24 July 2026 to shareholders registered on 26 June 2026, with an ex-dividend date of 25 June 2026.

Outlook and guidance

Serica expects post-tax CFFO in 2026 of \$470-520 million.

All guidance for 2026 remains unchanged, including expected production of significantly over 40,000 boepd. Serica remains on track to move from AIM to the Main Market of the London Stock Exchange in Q3 2026.

The acquisition from ONE-Dyas of a 10% interest in the Catcher Field and a 5.21% interest in the Golden Eagle Area Development is set to complete in the middle of June.

No further current trading information will be disclosed at the CMD.

The CMD will be broadcast live on the Investor Meet Company platform today at 1000 BST. 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.investormeetcompany.com/serica-energy-plc/register-investor>.

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Regulatory

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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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 operates assets that deliver around 10% of the UK's gas production, a key component of the UK energy system, and has invested over £1 billion in the UK supply chain since 2020. Serica maintains a broadly balanced output of oil and gas across its operations.

The Company's key producing assets are currently 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. The Company also holds a notable position West of Shetland, including a 40% operated stake in the Greater Laggan Area offshore fields and associated Shetland Gas Plant.

Serica also intends to complete the acquisition of non-operated interests in the Catcher and Golden Eagle Area Development fields from ONE-Dyas in June 2026, and the acquisition of a package of operated and non-operated assets from Spirit Energy in Q3 2026, including a 15% stake in the Cygnus field and 25% in Clipper South as well as the operated Greater Markham Area.

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

Serica's shares trade on the AIM market of the London Stock Exchange (ticker: SQZ), and the Company has announced its intention to move its listing to the Main Market of the LSE in 2026. 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.