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

Results for the six months ended 30 June 2026

London, 6 August 2026 - Serica Energy plc (AIM: SQZ), a British independent upstream oil and gas company with operations in the UK North Sea, today announces its unaudited financial results for the six months ended 30 June 2026. The results are included below and copies are available at www.serica-energy.com and www.sedar.com.

Chris Cox, Serica's CEO, stated:
“Serica delivered a strong first half, with robust production, material free cash flow and a significantly strengthened balance sheet. The operational work completed last year is now translating into much improved asset performance, most notably at Triton, and the addition of production from new assets has provided a further boost. Together with a supportive commodity price environment, this performance generated $184 million of free cash flow and enabled Serica to move from net debt at year-end 2025 to a net cash position at 30 June 2026.

We have taken advantage of attractive market conditions and successfully completed both the issue of a new five-year Nordic Bond and refinanced our RBL facilities with a new six-year maturity $750 million facility. This gives Serica substantial liquidity and flexibility as we enter the next phase of organic investment and portfolio growth. We expect to shortly confirm contracting of a rig to deliver our high-impact and rapid return organic growth projects in the UK North Sea, and continue to seek further opportunities to deliver shareholder value via M&A both in the UK and internationally.

A long-standing objective is to establish a significant international business to complement our position on the UKCS. The recommended acquisition of Pharos Energy represents the first step in delivering that strategy, and the deal, should it complete, is set to deliver value accretive, materially cash-generative diversification and act as an ideal platform for further international growth.”

Results summary ($ million unless stated)

	H1 2026	*H1 2025*	*FY 2025*
Average realised Brent oil price ($/bbl)[1]	**93**	*70*	*67*
Average realised gas price (pence per therm)[1]	**101**	*96*	*84*
Production (boepd)	**44,700**	*24,700*	*27,600*
Revenue	**677**	*305*	*601*
Operating costs	**239**	*156*	*367*
EBITDAX[2]	**301**	*118*	*210*
Cash Tax received/(paid)	**9**	*71*	*63*
Post-tax CFFO[2]	**280**	*173*	*243*
Capital expenditure[2]	**81**	*138*	*249*
Free cash flow[2]	**184**	*26*	*(24)*
Cash and restricted cash	**326**	*174*	*31*
Total debt	**(300)**	*(231)*	*(231)*
Net cash / (net debt)[2]	**26**	*(57)*	*(200)*
Dividend declared (pence per share)	**6**	*6*	*10*

[1] *Pre-hedging, with hedging in the period resulting in actual average portfolio sales oil and gas prices of $73/bbl and 97p/therm respectively*
[2] *See non-IFRS measures*

Highlights

Significant production growth driven by improved uptime and new West of Shetland contribution

- Production increased to 44,700 boepd net to Serica in H1 2026 (H1 2025: 24,700 boepd), in line with guidance, a material increase from the prior year due to higher portfolio uptime and the addition of production from newly acquired assets West of Shetland
  - Production in Q2 averaged 50,200 boepd, underpinned by a step-change in Triton performance, where production contributed 20,300 boepd with asset uptime of over 95%

Material free cash flow drives move to net cash position

- Serica is robustly positioned to take advantage of opportunities to create material shareholder value, with cash of $326 million as of 30 June 2026 (31 December 2025: $31 million), a material increase since year end 2025 due to robust production, higher commodity prices, and the receipt of $56 million upon completion of the acquisition of assets West of Shetland from TotalEnergies
- Net cash of $26 million as of 30 June 2026, following completion of $300 million five-year Nordic bond in May
- Completion in July of six-year Reserves Based Lending ('RBL') facilities totalling $750 million supporting a robust liquidity position of $784 million as of 30 June 2026 pro forma for the new RBL borrowing base, providing substantial capacity to support the Company's UK investment programme, future decommissioning security requirements and disciplined M&A
- Capital expenditure on a cash basis of $81 million in H1, of which $50 million was spent on the Bruce Hub
- Interim dividend of 6p declared today (2025 interim dividend: 6p), reflecting the Board's confidence in Serica's cash generation and financial position
  - The interim dividend is payable on 19 November 2026 to shareholders registered on 23 October 2026, with an ex-dividend date of 22 October 2026

Rig set to be leased ahead of high-impact organic growth programme

- As detailed at the Capital Markets Day on 2 June, Serica has a 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 programme is expected to deliver average rates of return above 40%, reinforcing the capital efficiency of Serica's organic growth portfolio
- Serica expects to sign a rig contract in the coming weeks for a drilling programme estimated at around 400 days duration, with an option to extend, giving the potential to drill up to six wells across the Company's expanded portfolio
- Drilling is expected to begin with the Bruce SCE and SCW wells in Q3 2027, with the potential for first production 12 months from the start of drilling

Disciplined M&A adds scale, diversification and cash-generative growth

- The acquisition of the 40% interest in the Greater Laggan Area from TotalEnergies completed on 26 March, adding a new operated production and development hub in the high-potential West of Shetland basin
- Post period end, Serica announced the recommended acquisition of Pharos Energy, completion of which would provide a first step in our long-standing strategic objective of adding international expansion, boosting our reserves, resources and adding cash-generative production, presenting a platform from which to grow
- Serica continues to rigorously evaluate a pipeline of M&A opportunities, both in the UK North Sea and other areas in which the Company can successfully deliver its strategy

Outlook and guidance

- Serica remains on track to deliver production rates of c.65,000 boepd following completion of the Spirit Energy transaction

- The acquisition of assets from Spirit Energy is now set to complete on 1 October 2026, resulting in revised production guidance for 2026 of above 40,000 boepd (previously: significantly above 40,000 boepd)
- Capital expenditure guidance of $175 to $195 million unchanged
- Opex guidance of $380-400 million, excluding $65 million of Lancaster spend, unchanged
- Post-tax CFFO guidance is impacted by the later completion of the Spirit Energy acquisition and is therefore revised to $450-475 million, consistent with current forward curve pricing
- Work is progressing on the move from the AIM to the Main Market of the London Stock Exchange, remains on track to complete in 2026

Regulatory

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 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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Serica will host a live presentation 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.

CHIEF EXECUTIVE OFFICER'S REVIEW

The first half of 2026 has been a positive one for Serica, with significant strategic delivery and a robust production performance that leaves us well placed to deliver on our growth plans and create material value for shareholders.

The return of reliable performance at Triton demonstrates the underlying strength of the portfolio, with H1 production of almost 45,000 boepd providing a stronger and more representative base for future growth. A lot of work has been put in across our assets, and especially at Triton, and while there is undoubtedly more to be done it is pleasing to see the work beginning to yield results.

The resulting production increase, coupled with the relative strength of oil and gas prices in the period, saw a return to material cash generation. From a net debt position of $200 million at the end of 2025, we ended the period in a net cash position, as guided. Given the positive backdrop, we decided to be proactive in our balance sheet management, firstly completing the issuance of a $300 million Nordic Bond and then post-period end signing and completing new six-year RBL facilities totalling $750 million, with a further $750 million through an accordion facility.

The end result of this is that, on a pro forma basis for the end of June, we have a liquidity position of $784 million and a portfolio that is materially cash generative. This provides a strong financial platform from which to fund our UK North Sea investment programme while continuing to pursue disciplined growth opportunities through M&A.

We are in the final stages of discussions regarding the contracting of a rig from which to drill a high-impact multi-well programme across a range of our assets. Our rig inspection team has visited the rig and confirmed its suitability, and it is expected that our drilling programme will begin in Q3 2027 with the SCE and SCW wells at Bruce, the first drilled in the field since 2012. This is the ideal place to start as the wells can be tied back to existing sub-sea infrastructure to deliver a notable production increase from the asset around 12 months from the beginning of drilling and capital spend at Bruce is highly tax efficient. Following this we have optionality about where the rig will go next, with a world-class subsurface team identifying attractive drilling opportunities at Kyla and Glendronach, and also the possibility to drill further wells at Bruce, as well as to meet some of our P&A obligations. With a total of six drilling slots expected, and rates of return of over 40%, we can’t wait to get going.

As Serica grows, with the acquisition of assets from Spirit Energy also set to increase our production and operated asset base, we have also continued the scale-up of our internal capabilities. As well as bringing in some excellent people from the acquisitions we completed in the period, we were pleased to have recently welcomed Scott McGinigal to the team as Chief Operating Officer. Serica is expanding and we are confident that we have a team with the right experience, drive, and combination of skillsets to deliver on this growth and create an exceptional E&P company, focused on growth and delivering value for shareholders.

A key growth area going forward is the West of Shetland basin, following the acquisition of the Greater Laggan Area from TotalEnergies completing in March. The acquisition brings operatorship of the Shetland Gas Plant, providing a strategic infrastructure position from which Serica can pursue third-party throughput, near-field development and exploration opportunities. This creates a platform to build a material West of Shetland business. There is the possibility of significantly increasing throughput in the Shetland Gas Plant through additional third-party gas and investments in our own assets. The latter includes the Glendronach project and infill drilling at Tormore plus exciting exploration potential, assuming an appropriate fiscal and regulatory environment.

Drilling at Bruce is highly tax efficient, and we are set to make a significant investment in the UK, supporting our supply chain as well as creating a material opportunity for Serica. The programme can maintain annualised production of over 50,000 boepd from the UK into the next decade. The UK North Sea remains the engine room of our business, and we continue to seek opportunities for further growth.

Alongside this ambition, and complementary to it, we are also delighted to be making moves into jurisdictions overseas. The recently announced recommended offer for Pharos Energy is the first step in our longstanding strategic objective of adding to the diversification of our business through international expansion. While there is a long way to go before we can be certain that this acquisition will complete, it would add value accretive growth on a per share basis across all key metrics, and provide us with a platform for further growth in the South East Asian region that we have previously flagged as being ideal for the pursuit of our strategy. This first step in overseas expansion is an exciting move for Serica, and is very much one on which we firmly intend to build.

This has been a positive and very active period for Serica, with plenty more to come, and I look forward to updating you on the numerous catalysts for shareholder value creation ahead.

REVIEW OF OPERATIONS

Increased portfolio reliability, plus the addition of production West of Shetland, led to a material increase to production in the period. The Lancaster field produced an average of just over 6,000 boepd prior to production ceasing as expected in early May. The addition of production from GLA following completion of the acquisition from TotalEnergies on 26 March has helped retain a strong contribution from West of Shetland throughout the period. The GLA contribution, plus the Southern North Sea assets in Q4, are expected to increase the gas weighting of Serica's portfolio from the 56% recorded in H1 2026, further enhancing exposure to UK gas markets.

The acquisition of assets from Spirit Energy is now expected to complete on 1 October 2026, adding material production to the portfolio from our new Southern North Sea Hub.

Production (boepd)

	Q1 2026	Q2 2026	H1 2026	*H1 2025*	*FY 2025*
Bruce Hub	17,700	18,500	18,100	*16,700*	*16,100*
Triton Hub	11,100	20,300	15,700	*2,500*	*5,900*
Other Producing Assets	4,200	5,000	4,600	*5,500*	*5,300*
West of Shetland	6,200	6,400	6,300	-	*300*
Total	**39,200**	**50,200**	**44,700**	***24,700***	***27,600***

Bruce Hub

Bruce - Blocks 9/8a, 9/9b and 9/9c, Serica 98% and operator

Rhum - Blocks 3/29a, Serica 50% and operator

Keith - Block 9/8a, Serica 100%

Production from the Bruce Hub averaged 18,100 boepd (H1 2025: 16,700 boepd) net to the Company in the first half of the year. Asset uptime was 86% in the period, and production benefitted from wells being returned to service following maintenance. The ability to regularly bullhead the wells has allowed production to be closer to the optimal level, averaging over 20,000 boepd in June.

Work in the second half of 2026 will focus on the delivery of essential maintenance, improving the ongoing reliability of the asset through removing vulnerabilities and aiming to further optimise production going forward. The installation of an additional lifeboat will allow the number of people working on the Bruce platform to increase, allowing an increase in work scopes. The annual maintenance period began on 1 August and is set to finish around the end of the month.

Readiness work is also underway in preparation for drilling the first new wells at Bruce since 2012. A rig contract is expected to be signed shortly, with the drilling campaign set to start with the Bruce SCE and SCW wells in Q3 2027.

Triton Hub

Bittern - 64.63%, Evelyn - 100%, Gannet E - 100%, Guillemot West & North West - 10%, Belinda - 100%, Kyla - (P2616) Serica 100% and operator

The Triton Hub produced 15,700 boepd (H1 2025: 2,500 boepd) net to Serica in the first half of 2026, benefitting from materially improved performance following significant maintenance work carried out in 2025.

Following the resumption of production on 9 March after a 24 day outage for essential maintenance, asset uptime in the remainder of the period was over 95%, leading to production in the quarter of 20,300 boepd net to Serica. Production continued to be robust prior to the planned shutdown on Triton starting as scheduled on 27 July. The shutdown for key maintenance is expected by the operator, Dana, to last for approximately two months.

Working with the operator, the focus remains on reliability and optimising production. There remains production potential at Triton above what is currently being produced, with only brief periods of production as yet from Belinda due to facility capacity constraints.

The Kyla project, located in Block 29/2c, is the redevelopment of a previously producing oilfield, 20 km southeast of Triton, shut-in in 2020 solely due to the decommissioning of the Banff FPSO host facility. Kyla contains 10.1 mmboe of 2P reserves and could be produced via a single horizontal well tied-back to Triton via Bittern, with the potential for first production within six months of the start of drilling. FEED commenced in February and has now concluded, and the environmental statement and field development plan have been submitted, in preparedness for potential drilling as part of the Company's wider organic growth drilling campaign.

West of Shetland

Greater Laggan Area ('GLA'), Serica 40% and operator

Production from West of Shetland averaged 6,300 boepd net to Serica in the first half of 2026. The Lancaster field delivered the majority of the production in the period, averaging 6,100 boepd until production ceased as expected on 3 May 2026 due to the sail away of the Aoka Mizu FPSO.

The acquisition of GLA from TotalEnergies completed on 26 March 2026, and contributed 4,200 boepd in Q2, with high uptime of 98%.

Operatorship of the Shetland Gas Plant, the key processing infrastructure for one of the most prospective basins on the UK Continental Shelf, is a key factor in the significant growth potential for Serica West of Shetland. One potential development is the Glendronach project, part of GLA, a high-value short-cycle tie back opportunity, which is one of the candidates to form part of our organic growth drilling programme. The environmental statement, the next step towards FID, is set to be submitted in Q3 2026. Discussions are also ongoing with the Tornado JV regarding their potential Tornado development. This would add material throughput, helping to extend the economic life of the plant.

Other Producing Assets

Production from our Other Producing Assets averaged 4,600 boepd in the first half of the year.

Erskine - Blocks 23/26a (Area B) and 23/26b (Area B), Serica 18%

The Erskine field continues to produce consistently, delivering a rate of 1,800 boepd net to Serica in H1 2026 (H1 2025: 2,100 boepd).

Columbus - Blocks 23/16f and 23/21a (part), Serica 75% (operator)

Production at Columbus has been steady in the first half of 2026, averaging 1,200 boepd (H1 2025: 1,500 boepd) net to Serica.

Orlando - Block 3/3b, Serica 100%
Orlando field production in H1 2026 averaged 1,000 boepd (H1 2025: 1,900 boepd) net to Serica, with production halting in May due to a failure of the Electrical Submersible Pump. Given the proximity to the scheduled closure of the Ninian platform in 2027, it has been determined that the requisite remedial activity would not be cost effective. As such, there will be no further production from the field, and we will be progressing to prepare for decommissioning and the P&A of the well in due course.

Catcher - Serica 10%
Golden Eagle Area Development - Serica 5.21%
The acquisition from ONE-Dyas of a 10% interest in the Catcher field and a 5.21% interest in the Golden Eagle Area Development ('GEAD') completed on 10 June 2026. Since completion, Catcher has produced c.2,000 boepd net to Serica, and GEAD was producing c.500 boepd prior to entering its annual maintenance period on 4 July 2026, with maintenance set to end in mid-August.

Other organic growth opportunities

Skerryvore - Blocks 30/12c (part), 30/13c (split), 30/17h, 30/18c and 30/19c (part), Serica: 70% working interest
The P2400 Licence is located in the Central North Sea, 60 km south of the Erskine field. Skerryvore is a low-risk, multi-target exploration opportunity with significant upside, close to existing infrastructure with multiple tieback options. Plans are advancing to drill the well in 2027.

Greater Buchan Area - Blocks 20/5a, 205d, 21/1d & 21/1a, Serica 30%
Buchan Horst is one of the largest remaining undeveloped fields on the UKCS. Serica continues to evaluate development solutions within the current fiscal landscape together with the operator, NEO NEXT+.

P2530 (Wagtail) - Serica 40% (operator)
Serica farmed-in to the P2530 licence in November 2025, to provide the opportunity to analyse the potential development of the Wagtail prospect. Following a portfolio review, Serica has elected to prioritise higher-return opportunities elsewhere in its portfolio and will therefore relinquish the P2530 licence with no further commitments.

Fynn Beauly - (P2634) Serica 50%
A 50% interest in the P2634 licence, containing the Fynn Beauly heavy oil discovery, was acquired when completing the acquisition of Parkmead (E&P) Limited in April 2025. The current licence commitment is limited to technical studies to assess potential development options.

Acquisition of assets from Spirit Energy
The acquisition of a Southern North Sea portfolio from Spirit Energy is now expected to complete on 1 October 2026, adding a new production hub and further operated scale. Upon completion, the amount payable to Spirit Energy is estimated to be £38 million ($52 million), consisting of the upfront consideration of £57 million ($77 million) and customary completion adjustments, reduced by the interim post-tax cashflows between the effective economic date of 1 January 2025 and the date of completion. Due to variability in commodity prices, asset performance and tax impacts, the amount of interim cash flow received is lower than previously forecast.

The acquisition is expected to be immediately cash generative, with free cash flow from the assets now forecast to be over $200 million by the end of 2028, more than double the expectation upon announcement, due primarily to a stronger gas price outlook, a robust production outlook and rephasing of some interim period cash flows into the post-completion period.

FINANCIAL REVIEW

Cash generation in the period has been robust and a material improvement from the same period last year, driven by a combination of much improved production performance (largely at the Triton Hub) and a strong commodity price backdrop – even after the impact of our hedging portfolio. This generated revenues more than double the comparative H1 2025 period and both EBITDAX and post-tax CFFO very materially higher than H1 2025, indeed higher than those metrics for the full year in 2025, with cash further boosted by the receipt of considerations on completion of acquisitions in the period and from financing activities.

On an accounting basis, however, the period saw two material non-cash items in unrealised hedging and the expensing of certain goodwill charges leading to a small loss before tax. These effects are largely offset through a net tax credit as a material deferred tax credit on the recognition of deferred tax assets on recent acquisitions offset an increased current tax charge, and hence the Company reported a modest net income for the period.

From a funding and liquidity perspective, H1 2026 has been a very busy period as we completed our planned refinancing of the Company with the completion of our inaugural Nordic Bond in May and the completion of our refinanced RBL facilities shortly after the period end. We are well set up to approach the coming period of renewed investment in our portfolio as well as the completion and integration of the Spirit Energy assets and, subject to completion, the announced acquisition of Pharos Energy.

Lastly, but by no means least, H1 2026 also saw us introduce a refreshed shareholder distribution policy applicable from FY 2026 onwards, based on a payout ratio expressed as 15-30% of post-tax CFFO. The application of this policy will be applied in respect of the FY 2026 Final dividend, with the 6p per share declared today being taken into account in the full year dividend assessment.

Summary of H1 2026 unaudited financial results

An analysis of the summary metrics provided in the Summary Financial Information table below is detailed in the following pages of this Financial Review.

Summary Financial Information	Units	H1 2026	H1 2025
Production and sales realised prices			
Production	kboepd	44.7	24.7
Sales volumes	mmboe	7.5	4.6
Natural Gas (net of NTS system charges)	p/th	101	96
Crude Oil	$/Bbl	93	70
NGLs	$/MT	587	490
Income Statement			
Revenue	$ million	677	305
EBITDAX[(1)]	$ million	301	118
(Loss)/profit before taxation	$ million	(76)	101
Profit/(loss) after taxation	$ million	6	(43)
Basic earnings/(loss) per share	cents	2	(11)
Other key financial figures			
Capital expenditure[(1)]	$ million	81	138
Operating cashflow	$ million	271	102
Post tax CFFO[(1)]	$ million	280	173

(1) See Reconciliation of non-IFRS measures for further detail.

Production for H1 2026 was 44.7 kboepd, compared to 24.7 kboepd for H1 2025 with sales volumes of 7.5 mmboe (H1 2025: 4.6 mmboe). The increase primarily arose from improved production volumes from the Triton Area, which suffered material downtime in H1 2025, and the benefit of production from the newly acquired assets arising from the Prax Upstream acquisition in December 2025 and GLA assets in March 2026.

Realised sales prices for oil for the period were materially higher than for H1 2025 with realised oil pricing pre-hedging averaging $93/bbl in H1 2026 (H1 2025: $70/bbl). NBP gas prices (net of NTS system charges) averaged 101p/th (H1 2025: 96p/th) as initial soft gas pricing in January and February strengthened very significantly in the period on the back of the continued constraints in the Strait of Hormuz. However, the impact of the Company's hedge book, in place to ensure downside protection of the cost base with price floors of circa $60/bbl and 60p/therm, led to foregoing some of the commodity price upside with post-hedging realised prices of $73/bbl for oil and 97p/therm for gas. The combination of these volume and price impacts saw revenues of $677 million (H1 2025: $305 million), more than double the comparative period.

The impact of increased production and higher prices was reflected at the adjusted profit level, with EBITDAX of $300.6 million compared to $118.5 million for H1 2025. However, reported accounting metrics in H1 2026 were impacted by significant non-cash charges arising from $111 million of unrealised hedging losses (H1 2025: $53 million unrealised gains) and goodwill expense charges of $96 million (H1 2025: $nil). Loss before taxation of $75.6 million for H1 2026 compared to a profit before taxation of $100.8 million for H1 2025.

Despite the pre-tax loss, the Group reported a profit after taxation of $6 million in H1 2026 (H1 2025: loss of $43 million), driven by a total tax credit of $81.7 million (H1 2025: $144 million charge), comprising $59.9 million of current tax (H1 2025: $nil) and $141.6 million of deferred tax credit (H1 2025: $144 million charge). The income statement deferred tax credit in H1 2026 included $95.6 million recognition of net deferred tax assets following the acquisition of new producing assets in the period. The deferred tax charge in H1 2025 included a one-off non-cash deferred tax expense of $65 million as a result of the extension of the Energy Profits Levy to 31 March 2030 which was substantively enacted on 3 March 2025. Basic earnings per share was 2 cents (H1 2025: loss per share 11 cents).

Operating cash flow also more than doubled to $271 million (H1 2025: $102 million), largely reflecting improved operating performance in the period. Capital expenditure was $81 million (H1 2025: $138 million) reduced from the prior period which included the completion of the five well drilling programme at our Triton area assets.

Sales revenues

Revenue	Units	H1 2026	H1 2025
Total revenue	**$ million**	**677**	**305**
Gas Sales	$ million	294	207
Crude Oil	$ million	358	87
NGLs	$ million	16	11
Other revenue	$ million	9	-

Total H1 2026 revenue was $677.1 million, compared to H1 2025 revenue of $304.9 million. The increase in revenue was driven by both increased production and pricing. Production increased from improved performance in the Triton area and the impact of new product streams arising following the Prax Upstream acquisition in December 2025 and subsequent asset acquisitions in March and June 2026 respectively. The increase in prices was primarily driven by the impact of global supply constraints caused by the war in Iran, resulting in stronger market prices for oil and gas.

Sales comprised gas revenue of $293.9 million (H1 2025: $207.4 million), oil revenue of $358.4 million (H1 2025: $86.4 million) and NGL revenue of $16.0 million (H1 2025: $11.1 million). The increase in gas revenue was driven by increased production and higher realised prices, similarly the oil revenue in the period was significantly higher than H1 2025, reflecting approximately 2.6 million bbls higher lifted volumes due to the much improved Triton uptime, as well as significantly higher realised oil prices in the period ($93 per barrel as compared to $70 per barrel H1 2025). Like for like NGL revenues were also higher, impacted by increased sales volumes and higher realised prices for NGLs ($587 per metric tonne as compared to H1 2025: $490 per metric tonne).

Sales revenues include other revenue of $8.8 million which reflects the Company's share of payments from the Victory field partners to the GLA partners for the processing of their gas in the Shetland Gas Plant, reflected from the 26 March 2026 GLA acquisition completion date.

Total product sales volumes for the period comprised approximately 216 million therms of gas (H1 2025: 167 million therms), 3.8 million lifted barrels of oil (H1 2025: 1.2 million barrels) and 29,200 metric tonnes of NGLs (H1 2025: 22,600 metric tonnes). This amounted to product sales in the period of 7.5 million boe (H1 2025: 4.6 million boe).

Gross profit

The gross profit for H1 2026 was $271.9 million compared to $76.4 million for H1 2025. Overall cost of sales of $405.2 million compared to $228.5 million for H1 2025. This comprised increased field operating and lifting costs of $246.5 million (H1 2025: $158.5 million), movements in oil over/underlift and oil inventory charges of $27.4 million (H1 2025: charge of $15.0 million), and $130.6 million of non-cash depletion charges (H1 2025: $54.9 million).

Cost of sales	Units	H1 2026	H1 2025
Total operating costs	**$ million**	**405**	**229**
Field operating costs	$ million	240	156
Lifting costs	$ million	7	3
Movement in over / underlift	$ million	17	15
Movement in oil inventory	$ million	10	-
DD&A	$ million	131	55

The increase in field operating costs reflects the increased scale of the business, including Lancaster operations before cessation in May, and three months post-acquisition GLA production. The Lancaster field ceased operations in May 2026 and hence its high operating costs inclusive of the leased FPSO charges will be removed from results going forward. Triton production was also much stronger in H1 2026 compared to H1 2025, although a significant proportion of the operating cost base is fixed in nature, some incremental operating and lifting costs are incurred in periods of increased production. The charge from movement in oil inventory of $10.0 million arose from Lancaster operations. Operating costs as reported were approximately $30/boe, decreased from $35/boe for H1 2025, but inclusive of the circa $89/boe now ceased Lancaster costs. Excluding Lancaster, opex for the period was $25/boe.

The increased H1 2026 production volumes also directly impact non-cash depletion charges which are calculated on a unit of production basis and consequently increased by $75.7 million from $54.9 million in H1 2025 to $130.6 million in H1 2026.

These effects were compounded by the average H1 2026 (£1: $1.34) period strength of sterling against the US dollar compared to H1 2025 (£1: $1.31) as most of the Group's operating costs are GBP-denominated.

EBITDAX, operating profit before net finance costs and tax

EBITDAX for H1 2026 was $301 million, over 2.5x higher than the $118 million for H1 2025.

Operating profit to EBITDAX[(1)]	**Units**	**H1 2026**	**H1 2025**
Operating (loss)/profit	**$ million**	**(50)**	118
Add back transaction costs	$ million	3	-
Add back DD&A and depreciation	$ million	131	55
Add back E&E costs	$ million	-	1
Add back impairment of producing assets	$ million	6	-
Add back/(deduct) unrealised hedging	$ million	111	(53)
Deduct contract revenue – other	$ million	-	(6)
Add back share-based payments	$ million	2	2
Add back goodwill expense	$ million	96	-
Add back/(deduct) FX effects/remeasurements	$ million	2	1
EBITDAX[(1)]	**$ million**	**301**	118

(1) See Reconciliation of non-IFRS measures for further detail.

The operating loss for H1 2026 was $49.8 million compared to an operating profit of $118.1 million for H1 2025. The H1 2026 operating result was significantly impacted by non-cash charges for unrealised hedging and goodwill expense, both added back in the EBITDAX metric detailed above.

Net hedging expense of $199.4 million (H1 2025: net income of $51.8 million) comprised unrealised hedging losses of $110.8 million (H1 2025: $53.1 million gains) and realised hedging losses of $88.6 million (H1 2025: $1.4 million losses).

Unrealised hedging losses arose from the non-cash movement in the mark-to-market valuation of commodity hedge positions at the period end to a net liability of $80.6 million. The main contributor being mark-to-market movements on oil and gas derivatives, driven by events in the Middle East. Serica has certain minimum hedging requirements for periods extending to the end of 2027 under the Group’s RBL facility.

Realised hedging expense in both periods related to oil and gas commodity derivatives settling during the period. Realised hedging expense in H1 2026 was mainly incurred in March, April and May, reflecting the exceptionally strong and volatile commodity pricing in those months and the corresponding increased revenues as a result of the kinetic phase of the war in Iran.

No contract revenue was recognised in H1 2026 (H1 2025: $5.4 million), as the fair value liability associated with an acquired revenue in 2023 was fully unwound during 2025.

Administrative expenses were $14.6 million in H1 2026, compared with $12.0 million in H1 2025. The increase was principally driven by additional expenses associated with the integration of Prax Upstream and associated businesses in the Group’s cost base.

An expense of $95.6 million (H1 2025: $nil) was recognised in relation to the expense of goodwill arising on the Prax Upstream, GLA and ONE-Dyas acquisitions. During the period, previously unrecognised tax losses that had formed part of the initial goodwill recognised on acquisition were subsequently assessed as recoverable, resulting in the recognition of deferred tax assets and a corresponding reduction in goodwill which is expensed through the Profit and Loss Statement.

Loss before taxation and profit after taxation for the period

Loss before taxation for H1 2026 of $75.6 million (H1 2025: $100.8 million profit) included non-operating items of a $4.5 million charge arising from an increase in the fair value of financial liabilities (H1 2025: $3.6 million charge), $1.4 million of finance revenue (H1 2025: $2.5 million) and $22.8 million of finance costs (H1 2025: $16.2 million).

Finance revenue of $1.4 million (H1 2025: $2.5 million) primarily represented interest income earned on cash deposits and decreased as a result of lower average cash balances held in H1 2026 compared to H1 2025. Finance costs of $22.8 million (H1 2025: $16.2 million) included interest payable and other charges on the RBL facility, interest on the recently issued Nordic Bonds, the non-cash discount unwind on decommissioning provisions and other minor finance costs.

The H1 2026 taxation credit of $81.7 million (H1 2025: $143.9 million charge) comprised current tax charges of $59.9 million (H1 2025: $nil) and a deferred tax credit of $141.6 million (H1 2025: $143.9 million charge).

The current tax charge in H1 2026 was as a result of increased taxable profits arising from higher oil and gas revenue during the period. The deferred tax credit largely arose from the recognition in the period of deferred tax assets on tax losses available following the acquisition of new businesses.

In 2025, current taxable income was fully sheltered by group relief impacts of tax losses within the Group, primarily due to the Triton Hub outages as well as the application of capital allowances against the EPL charges resulting primarily from significant capital expenditure on the Belinda and Evelyn fields. The high H1 2025 deferred tax charge included the accounting impact of the enactment of the extension of the EPL to 2030 during that period.

Reported and Effective tax rate	**Units**	**H1 2026**	**H1 2025**
(Loss)/profit before tax	**$ million**	**(76)**	**101**
Current tax charge	$ million	(60)	-
Deferred tax credit/(charge)	$ million	142	(144)
Tax credit/(charge) for the period	**$ million**	**82**	**(144)**
Book tax rate		**(108%)**	**143%**
Applicable ring-fence aggregate tax rate		78%	78%

The Group generated a profit after taxation for H1 2026 of $6.1 million compared to a loss after taxation of $43.1 million (which included a one-off non-cash deferred tax charge of $65 million) for H1 2025. This corresponded to an earnings per share of 2 cents (H1 2025: loss per share of 11 cents) after taking into account the weighted average number of ordinary shares in issue.

GROUP BALANCE SHEET

The Group maintained access to its $525 million RBL facility with a refinanced $750 million RBL completed shortly after the period end on 23 July. The Group benefitted from materially increased liquidity with the placement of its $300 million Nordic bond, and together with its cash reserves and cash generated in the period, was able to utilise its access to liquidity to fund ongoing capital investment, while continuing to support shareholder returns. Following the period end, the Group announced the recommended acquisition of Pharos Energy in connection with which £128 million of cash was deposited in a DNB blocked account pending completion and will be reported as restricted cash pending a planned 'certain funds' refinancing prior to completion.

Assets	30 June 2026	31 December 2025
	$ million	$ million
E&E	65	43
PP&E	1,146	1,156
Goodwill	50	56
Deferred tax asset	107	-
Inventories	22	31
Trade and other receivables	232	171
Corporate tax receivable	-	13
Derivative financial assets	-	30
Cash & cash equivalents and restricted cash	326	31
Total Assets	**1,948**	**1,531**

Equity and liabilities	30 June 2026	31 December 2025
	$ million	$ million
Equity	622	670
RBL borrowings, drawn amounts	-	231
Unsecured bonds	300	-
Unamortised fees on RBL and bonds	(16)	(10)
Corporate tax payable	55	-
Deferred tax liability	-	77
Provisions	516	252
Financial liabilities	105	94
Derivative financial liabilities	81	-
Trade and other payables, lease liabilities	233	217
Dividend payable	52	-
Total Equity and Liabilities	**1,948**	**1,531**

Total property, plant and equipment decreased marginally from $1,156 million at year end 2025 to $1,146 million at 30 June 2026.

The decrease related to depletion charges of $130.6 million and an impairment charge on Orlando of $5.8 million following the decision not to pursue uneconomic remedial activities on the field, partially offset by PP&E additions (comprising book capital expenditure during H1 2026, including accruals) of $68.2 million, acquisitions of $57.0 million (GLA $52.2 million and ONE-Dyas $4.8 million) and right-of use additions of $5.0 million. PP&E additions were primarily on the BKR Area ($49.0 million), Kyla development ($10.5 million) and Triton FPSO ($7.8 million). The overall decrease also included a $3.2 million currency translation adjustment.

During H1 2026, Serica completed the acquisitions of a 40% operated interest in the Greater Laggan Area (GLA) from TotalEnergies and non-operated interests in the Catcher field (10%) and Golden Eagle Area Development (GEAD) (5.21%) from ONE-Dyas. Both acquisitions have been accounted for as business combinations in accordance with IFRS 3, with the excess of the purchase consideration over the provisional fair value of the identifiable net assets and liabilities assumed recognised as provisional goodwill. Provisional goodwill of $50.9 million was recognised on the acquisition of the GLA interest and $38.6 million on the acquisition of the ONE-Dyas interests. The decrease in goodwill balances recognised from $56.5 million at year-end to $50.4 million at 30 June 2026 reflects the incremental goodwill of $89.5 million recognised in H1 2026 transactions less $95.6 million expensed following the recognition of deferred tax assets. The remaining goodwill balance as at 30 June 2026 primarily arises from the requirements to recognise deferred tax on the difference between the fair value and the tax base of the assets acquired.

The Balance Sheet net deferred tax asset of $106.6 million at 30 June 2026 compares to a net deferred tax liability of $77.1 million at year end 2025. This comprised deferred tax assets in relation to tax losses, derivative liabilities on the hedging portfolio and future relief available on decommissioning, offset by deferred tax liabilities arising on PP&E balances. The change from a net deferred tax liability position at 31 December 2025 to a net deferred tax asset at the end of H1 2026 is largely a result of tax losses recognised on Prax Upstream losses following acquisition completions and deferred tax assets now recognised on the mark-to-market hedging liabilities at 30 June 2026. Deferred tax liabilities arising upon the Group's PP&E balances will be released in future periods as those balances are depleted.

Following acquisitions in 2025, tax losses more than doubled in 2025, totalling $2.2 billion of ring fence Corporation Tax losses, $1.9 billion of Supplementary Charge losses, and $0.5 billion of Energy Profits Levy ('EPL') losses as at 31 December 2025. Tax assets are held in entities across the portfolio, with the exception of Serica Energy (UK) Limited, where the holding in the Bruce Hub creates particular scope for tax-efficient investment.

Trade and other debtors increased to $232.1 million at 30 June 2026 from $171.0 million at 31 December 2025. The main driver behind the increase was higher June revenues outstanding at the period end relative to December revenues outstanding at the year-end.

The increase in cash and restricted cash from $31.0 million at 31 December 2025 to $325.9 million at 30 June 2026 reflected net cash inflow from operating activities of $273.8 million, $68.7 million of cash received on completion of the Total E&P and ONE-Dyas acquisitions, the $300 million cash inflow (less fees and expenses) from the Nordic Bonds financing in May 2026, and is offset primarily by the repayment of existing RBL liabilities of $231.0 million and capital expenditure paid of $80.8 million.

Current trade and other payables increased to $222.1 million at 30 June 2026 from $211.6 million at the end of 2025, reflecting growth in the Group's activity.

A corporation tax liability of $54.9 million (31 December 2025: $13.0 million receivable) was recognised at 30 June 2026, reflecting the Group's current tax obligations arising from higher taxable profits driven by increased hydrocarbon production and revenues during the H1 2026 period. The UK corporation tax receivable of $13.0 million at 31 December 2025 reflected a recovery of overpayments of corporation tax, supplementary charge, and the EPL in respect of 2025 resulting primarily from the application of group tax relief. The balance was substantially received in June 2026.

The dividend payable of $51.9 million at 30 June 2026 (31 December 2025: $nil) represents the final cash dividend in respect of FY2025 of 10 pence (13 cents) per share approved at the annual general meeting on 21 May 2026 and paid after the period end in July 2026.

The net derivative financial liability of $80.6 million at 30 June 2026 represents the mark-to-market valuation of gas and oil commodity swap and collar products in place at the period end. This is in contrast to the net derivative financial assets of $29.9 million at 31 December 2025. The swing from net assets to net liabilities is the result of the accounting impact of the significant increase in oil and gas forward curve prices over the period, resulting in a significant decrease in the fair value of the Group's commodity hedging portfolio. While higher forward commodity prices have reduced the fair value of the Group's hedging portfolio, the Group is expected to benefit from increased realised prices on unhedged production volumes, supporting future revenue and operating cash flows.

Non-current and current financial liabilities of $105.2 million (31 December 2025: $93.9 million) comprise remaining deferred consideration projected to be paid under the BKR acquisition agreements of $62.2 million (31 December 2025: $60.2 million), royalty liabilities of $26.4 million (31 December 2025: $24.8 million) for amounts payable to third parties under the terms of Triton asset acquisitions, deferred consideration relating to the Parkmead acquisition of $5.2 million (31 December 2025: $8.9 million), and contingent consideration payable on the GLA acquisition of $11.4 million (31 December 2025: $nil).

Provisions of $515.8 million (31 December 2025: $252.3 million) predominantly relate to future decommissioning obligations and comprise current balances of $19.1 million (31 December 2025: $17.5 million) and non-current balances of $496.7 million (31 December 2025: $233.6 million). The increase from the prior year balance of $252.3 million is primarily attributable to the GLA ($206.2 million) and ONE-Dyas ($66.0 million) acquisitions, the unwinding of the discount applied, partially offset by minor currency translation effects.

Interest bearing debt of $284.1 million at 30 June 2026 represents unsecured bonds of $300.0 million net of unamortised fees of $6.8 million, and remaining unamortised fees of $9.1 million on the Group's undrawn RBL facility (31 December 2025: RBL facility net $221.5 million) existing at the Balance Sheet date.

Overall, net assets have decreased from $669.6 million at year end 2025 to $621.9 million at 30 June 2026.

CASH BALANCES AND FUTURE COMMITMENTS

Current cash position and price hedging

At 30 June 2026 the Group held adjusted net cash of $26 million as compared to adjusted net debt of $200 million at 31 December 2025.

Adjusted Net Debt	30 June 2026	31 December 2025
	$ million	$ million
Unsecured bonds and interest bearing loans	(284)	(221)
Add back unamortised fees	(16)	(10)
Cash, cash equivalents and restricted cash	326	31
Adjusted Net Cash/(Debt)	**26**	**(200)**

Hedging

Serica carries out hedging activity to manage commodity price risk, to meet its contracted arrangements under its RBL facility and to ensure there is sufficient funding for future capital allocation objectives. Serica held the following instruments in respect of 2026 to 2028 for its existing assets as at 30 June 2026:

Oil hedges

		2026		2027			
Weighted Average:	Units	Q3-26	Q4-26	Q1-27	Q2-27	Q3-27	Q4-27
Swap price	$/bbl	68	68	-	-	-	-
Collar floor net	$/bbl	62	63	62	63	63	63
Total weighted average	$/bbl	62	63	62	63	63	63
Collar ceiling	$/bbl	71	72	71	71	71	71
Hedged Volume	Kboe/d	15	23	19	16	15	15

Gas hedges

		2026		2027				2028		
Weighted Average:	Units	Q3-26	Q4-26	Q1-27	Q2-27	Q3-27	Q4-27	Q1-28	Q2-28	Q3-28
Collar floor net	p/therm	61	66	66	55	55	60	60	59	59
Total weighted average	p/therm	61	66	66	55	55	60	60	59	59
Collar ceiling	p/therm	93	103	103	62	62	80	80	64	64
Hedged Volume	Kboe/d	8	13	13	10	10	10	10	8	10

Field capital and other commitments

Serica's remaining 2026 investment programme includes further capital work on the Bruce facilities and Triton FPSO.

At 30 June 2026, the Group had commitments for future capital expenditure relating to its oil and gas properties which relate primarily to projects being undertaken to increase the operational lifetime of both the Bruce and Triton hubs. The Group's only significant exploration commitment work programme includes drilling an exploration well on the Licence P2400 (Skerryvore) prospect regarding which, given the lack of clarity regarding the future fiscal and licensing regime, the licence was extended to 31 March 2027.

Details of the Group's decommissioning obligations are included in note 11 of the Interim Financial Statements. In the normal course of business, the Group will obtain surety bonds, letters of credit and guarantees. At 30 June 2026, the Group held surety bonds totalling $354.3 million (31 December 2025: $102.3 million) to provide security for its decommissioning obligations. With the conclusion of the Group's refinanced RBL which includes a dedicated $250 million LoC facility, we would expect to rebalance our decommissioning security for lower surety bond balances and increased LoCs with the next decommissioning security renewals.

Cash projections are run periodically to examine the potential impact of extended low oil and gas prices as well as possible production interruptions. Serica currently has substantial net cash resources and relatively low operating costs per boe which means that the Company is well placed to withstand such risks and its capital commitments can be funded from existing cashflow in most scenarios.

Additional Information

Additional information relating to Serica can be found on the Company's website at www.serica-energy.com and on SEDAR at www.sedar.com.

Approved on behalf of the Board
Chris Cox
Chief Executive Officer

5 August 2026

Forward Looking Statements

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond Serica Energy plc's control, including: the impact of general economic conditions where Serica Energy plc operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Serica Energy plc's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Serica Energy plc will derive therefrom.

Serica Energy plc
Condensed Consolidated Statement of Profit or Loss

Continuing operations	*Notes*	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Sales revenue	4	677,099	304,896	601,429
Cost of sales	5	(405,194)	(228,523)	(536,689)
Gross profit		271,905	76,373	64,740
Unrealised hedging (losses)/gains	6	(110,843)	53,136	67,371
Realised hedging (losses)/gains	6	(88,600)	(1,350)	7,795
Contract revenue - other		-	5,408	5,408
Exploration expense		-	(1,100)	(1,100)
E&E asset write-offs		-	(96)	(147)
Impairment of producing assets	10	(5,820)	-	-
Administrative expenses		(14,619)	(11,976)	(23,075)
Foreign exchange (loss)/gain		(1,526)	(635)	38
Transaction costs		(3,048)	-	(5,533)
Share-based payments		(1,648)	(1,673)	(3,523)
Expense of goodwill	16	(95,582)	-	-
Operating (loss)/profit		(49,781)	118,087	111,974
Change in fair value of financial liabilities		(4,508)	(3,587)	(2,471)
Finance revenue		1,455	2,473	6,102
Finance costs	7	(22,771)	(16,198)	(35,262)
(Loss)/profit before taxation		(75,605)	100,775	80,343
Taxation credit/(charge) for the period	13	81,739	(143,869)	(132,165)
Profit/(loss) after taxation and profit/ (loss) for the period		6,134	(43,094)	(51,822)
Earnings/(loss) per ordinary share				
Basic EPS on profit/(loss) for the period ($)		0.02	(0.11)	(0.13)
Diluted EPS on profit/(loss) for the period ($)		0.02	(0.11)	(0.13)

Serica Energy plc
Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Profit/(loss) for the period	6,134	(43,094)	(51,822)
Other comprehensive (loss)/profit			
Exchange differences on translation	(3,574)	20,774	15,909
Other comprehensive (loss)/profit for the period	(3,574)	20,774	15,909
Total comprehensive income/(loss) for the	2,560	(22,320)	(35,913)
Total comprehensive income/(loss) attributable			
Equity owners of the Company	2,560	(22,320)	(35,913)

Serica Energy plc
Condensed Consolidated Statement of Financial Position

	Notes	30 June 2026 $000	31 December 2025 $000
Non-current assets			
Exploration & evaluation assets	9	64,858	43,283
Property, plant and equipment	10	1,145,707	1,155,716
Goodwill	16	50,448	56,497
Derivative financial assets	6	-	5,667
Deferred tax asset	13	106,557	-
		1,367,570	1,261,163
Current assets			
Inventories		22,124	31,423
Trade and other receivables		232,095	170,993
Corporate tax receivable		-	13,026
Derivative financial asset	6	-	24,260
Restricted cash		1,460	12,060
Cash and cash equivalents		324,451	18,840
		580,130	270,602
TOTAL ASSETS		1,947,700	1,531,765
Current liabilities			
Trade and other payables		222,124	211,646
Derivative financial liability	6	50,581	-
Corporate tax payable		54,923	-
Financial liabilities		5,164	4,140
Lease liabilities		3,683	2,308
Dividends payable	8	51,897	-
Provisions	11	19,109	18,712
Non-current liabilities			
Derivative financial liabilities	6	30,048	-
Financial liabilities		100,041	89,756
Deferred tax liability	13	-	77,132
Lease liabilities		7,388	3,415
Provisions	11	496,718	233,594
Loans and borrowings	12	284,139	221,488
TOTAL LIABILITIES		1,325,815	862,191
NET ASSETS		621,885	669,574
Share capital	14	245,715	245,715
Merger reserve	14	286,590	286,590
Other reserves		42,711	41,063
Treasury/own shares		(3,397)	(6,678)
Accumulated funds		52,043	101,087
Currency translation reserves		(1,777)	1,797
TOTAL EQUITY		621,885	669,574

Serica Energy plc
Condensed Consolidated Statement of Changes in Equity

	Share capital $000	Merger reserve $000	Other reserves $000	Treasury/own shares $000	Currency translation reserve $000	Accumulated funds $000	Total $000
At 1 January 2025	245,537	286,590	37,540	(8,931)	(14,112)	249,834	796,458
Loss for the year	-	-	-	-	-	(51,822)	(51,822)
Other comprehensive income	-	-	-	-	15,909	-	15,909
Total comprehensive income	-	-	-	-	15,909	(51,822)	(35,913)
Issue of shares	178	-	-	-	-	-	178
Share-based payments	-	-	3,523	-	-	-	3,523
Treasury/own shares	-	-	-	(9,819)	-	-	(9,819)
Release of shares	-	-	-	12,072	-	(12,072)	-
Dividend payable	-	-	-	-	-	(84,853)	(84,853)
At 31 December 2025	245,715	286,590	41,063	(6,678)	1,797	101,087	669,574
Profit for the period	-	-	-	-	-	6,134	6,134
Other comprehensive loss	-	-	-	-	(3,574)	-	(3,574)
Total comprehensive income	-	-	-	-	(3,574)	6,134	2,560
Issue of shares	-	-	-	-	-	-	-
Share-based payments	-	-	1,648	-	-	-	1,648
Treasury/own shares	-	-	-	213	-	-	213
Release of shares	-	-	-	3,068	-	(3,281)	(213)
Dividend payable	-	-	-	-	-	(51,897)	(51,897)
At 30 June 2026	245,715	286,590	42,711	(3,397)	(1,777)	52,043	621,885

Serica Energy plc
Condensed Consolidated Cash Flow Statement

	Note	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Cash inflow from operations	15	270,493	101,954	179,946
Taxation received/(paid)		9,126	70,554	63,358
Decommissioning spend		(5,847)	(104)	(1,088)
Net cash inflow from operating activities	15	273,772	172,404	242,216
Investing activities:				
Interest received		1,455	2,473	5,486
Purchase of E&E assets		(1,370)	(1,179)	(6,467)
Purchase of property, plant & equipment		(79,427)	(136,527)	(242,567)
Acquisition of asset interests		(4,168)	(10,416)	(11,720)
Business combination, net cash received/acquired	16	68,682	-	2,235
Net cash outflow from investing activities		(14,828)	(145,649)	(253,033)
Financing activities:				
Payments of lease liabilities		(2,071)	-	(1,943)
Proceeds from share issues		-	178	178
Repayment of borrowings		(231,000)	-	(51,848)
Proceeds from borrowings - net		293,199	(979)	51,848
Dividends paid		-	-	(84,853)
Share buyback		-	-	(9,819)
Finance costs paid		(11,361)	(11,620)	(25,900)
Net cash outflow from financing activities		48,767	(12,421)	(122,337)
Cash and cash equivalents				
Net increase/(decrease) in period		307,711	14,334	(133,154)
Effect of exchange rates on cash and cash equivalents		(2,100)	11,601	3,534
Amount at start of period		18,840	148,460	148,460
Amount at end of period		324,451	174,395	18,840

Serica Energy plc

Notes to the Condensed Consolidated Financial Statements

1. Corporate information

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on 5 August 2026.

Serica Energy plc ('the Company') is a public limited company incorporated and domiciled in England & Wales. The Company's ordinary shares are traded on the AIM in London. The principal activity of the Company is to identify, acquire and exploit oil and gas reserves.

2. Basis of preparation and accounting policies

Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

These unaudited financial statements of the Group have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the year ended 31 December 2025. These financial statements do not include all the information and footnotes required by generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the consolidated financial statements and the notes thereto in the Serica Energy plc annual report for the year ended 31 December 2025.

The financial information contained in this announcement does not constitute statutory financial statements within the meaning of section 435 of the Companies Act 2006.

Going concern

The Directors are required to consider the availability of resources to meet the Group's liabilities for the period ending 30 September 2027, the 'going concern period'.

As at 30 June 2026 the Group held cash and cash equivalents of $324.5 million, and restricted cash of $1.5 million and undrawn committed capacity under its $525 million RBL facility amount of $456 million. Subsequent to the period end the Group entered into a new RBL facility (see note 12).

The Group has a balance in product mix between gas and oil, and two main operating hubs which reduces the potential impact of production interruptions. The Group regularly monitors its cash, funding and liquidity position, including available facilities and compliance with facility covenants. Ongoing capital requirements also include surety bonds which provide cover for decommissioning security. Near-term cash projections are revised and underlying assumptions reviewed, generally monthly, and longer-term projections are also updated regularly. Downside price and other risking scenarios are considered. In addition to commodity sales prices the Group is exposed to potential production interruptions and these are also considered under such scenarios. In recent years, management has given priority to building a strong cash reserve which can respond to different types of risk.

For the purposes of the Group's going concern assessment two cash projection cases have been reviewed for the going concern period. These projections cover a base case forecast and an extreme stress test scenario for the operations of the Group. No covenant compliance breaches within the RBL or the Nordic bond were noted.

The base case assumptions for the going concern period included average commodity pricing of 94 pence/therm for gas and US$73/bbl for oil across the period. Production, opex, capex and tax assumptions are those currently included in standard management forecasting. The forward-looking price assumptions are considered reasonable in light of recent commodity forward pricing and a consensus of published forecasts from the industry, brokers and other analysts.

The stress test assumptions assume a five month period shut-in of Triton hub production across Q3 and Q4 2026. From Q1 to Q3 2027, a 25% reduction to production volumes relative to the base case across the full portfolio of producing assets is applied. Base case commodity pricing is retained for 2026 but lower commodity pricing of 50 pence/therm gas and US$60/bbl oil are assumed for the Q1 to Q3 2027 periods in this scenario which are significantly below the range of current market expectations for the going concern period. Under this downside scenario, which assumes lower-than-expected cash inflows, the Group maintained sufficient liquidity to meet its obligations as they fall due throughout the going concern assessment period. A number of mitigating factors and actions that are under management control are available to management in the stress test event. These would mitigate the reduced operating cash outflows experienced and are not included in the projection.

After making enquiries and having taken into consideration these factors, the Directors considered it appropriate that the Group has adequate resources to continue in operational existence for the going concern period. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Significant accounting policies

A number of new standards, amendments to existing standards and interpretations were applicable from 1 January 2026. The adoption of these amendments did not have a material impact on the Group's interim condensed consolidated financial statements for the period ended 30 June 2026.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025. The impact of seasonality or cyclicality on operations is not considered significant on the interim consolidated financial statements.

The Group financial statements are presented in $ and all values are rounded to the nearest thousand except when otherwise indicated.

Use of judgement and estimates and sources of estimation uncertainty

The preparation of financial statements in conformity with UK adopted International Accounting Standards requires management to make judgements and estimates that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates. The areas for the Group where significant judgement, estimates, and assumptions are required are consistent with those reported in the Group's annual financial statements for the year ended 31 December 2025 but now include a key source of estimation uncertainty in respect of acquisition accounting, noted below.

Key source of estimation uncertainty - Purchase Price Allocation for acquisitions

Determining the fair value of the identifiable net assets acquired in a business combination required the use of significant estimates and assumptions. Management applies discounted cash flow techniques to value acquired oil and gas assets and related obligations, incorporating assumptions relating to future production profiles, commodity prices, operating costs, discount rates and decommissioning liabilities. Given the inherent uncertainty in forecasting these factors, changes in market conditions, reserve estimates or operational performance could result in material adjustments to the fair values assigned and, consequently, the amount of goodwill recognised.

Basis of consolidation

The interim consolidated financial statements include the accounts of Serica Energy plc (the 'Company') and entities controlled by the Company (its subsidiaries) made up for the six month period to 30 June each year. Together these comprise the 'Group'.

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; and
• 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. 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 the 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.

The results and financial position of all of the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of each transaction);
- The exchange differences arising on translation for consolidation are recognised in other comprehensive income; and
- Any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the acquired entity and are translated at the spot rate of exchange at the reporting date.

All inter-company balances and transactions have been eliminated upon consolidation.

3. Segmental information

For the purposes of segmental reporting, the Group currently operates a single class of business being oil and gas exploration, development and production and related activities in a single geographical area, being presently the UK North Sea.

4. Sales revenue

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Gas sales	293,854	207,410	360,925
Oil sales	358,399	86,403	218,984
NGL sales	16,040	11,083	21,520
Sub-total	668,293	304,896	601,429
Other revenue	8,806	-	-
Total revenue	677,099	304,896	601,429

5. Cost of sales

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Operating costs	239,421	156,069	366,605
Lifting costs	7,110	2,499	8,006
Change in decommissioning estimates expensed	590	-	-
Movement in liquids overlift /(underlift)	17,355	15,023	9,660
Depletion (note 10)	130,630	54,932	158,141
Movement in oil inventory	10,088	-	(5,723)
	405,194	228,523	536,689

6. Derivative Financial (Liabilities)/Assets

	30 June 2026 $000	**31 December 2025** $000
Financial assets		
Derivative financial instruments (<1 year)	-	24,260
Derivative financial instruments (>1 year)	-	5,667
Derivative financial instruments	-	29,927
Financial liabilities		
Derivative financial instruments (<1 year)	50,581	-
Derivative financial instruments (>1 year)	30,048	-
Derivative financial instruments	80,629	-

Fair value hierarchy
All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows: Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities; Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly (i.e. as prices) or indirectly (i.e. derived from prices) observable; Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. The valuation methodology for derivative financial instruments is detailed below.

Derivative financial instruments
The Group enters into derivative financial instruments with various counterparties. Commodity and foreign currency derivative contracts are designated as at fair value through profit or loss (FVTPL), and

gains and losses on these contracts are recognised in the income statement. Derivative financial instruments held at 30 June 2026 and 31 December 2025 comprised swaps and collars for both oil and gas volumes. These were valued by counterparties, with the valuations reviewed internally and corroborated with readily available market data of forward pricing (level 2).

The mark-to-market of the Group's open contracts as at 30 June 2026 was a net liability of $80.6 million (31 December 2025: net asset of $29.9 million).

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Unrealised hedging (losses)/gains	(110,843)	53,136	67,371
Realised hedging (losses)/gains	(88,600)	(1,350)	7,795
Hedging (expense)/income	(199,443)	51,786	75,166

Unrealised hedging losses in 2026 arose from oil and gas instruments held (2025: gains on oil and gas instruments). Unrealised hedging losses on gas and other swaps comprise unrealised charges on the movement during the period/year in the calculated fair value liability and asset of outstanding gas price or other derivative contracts measured at the respective balance sheet dates.

Realised hedging losses measured at fair value through profit or loss for 2026 comprise losses realised on oil and gas swaps. For 2025 gains were realised on oil and gas swaps.

7. Finance costs

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Loan interest payable	12,507	9,556	19,194
Commitment and other financing fees	2,809	2,377	6,415
Other charges and interest payable	1,155	1,006	3,016
Unwinding of discount on provisions (note 11)	6,300	3,259	6,637
Total finance costs	22,771	16,198	35,262

8. Dividends payable

A final cash dividend for 2025 of 10.0 pence (13.0 cents) per share was proposed in March 2026 and approved at the annual general meeting on 21 May 2026. Following the approval in the H1 2026 period, the dividend payable of £39 million ($52 million) is recognised as a liability in the Balance Sheet at 30 June 2026. The dividend was paid in July 2026.

Dividends on ordinary shares paid in 2025

A final cash dividend for 2024 of 10.0 pence per share was proposed in April 2025 and approved at the annual general meeting on 22 May 2025 and $53.9 million (£39.3 million) was paid in July 2025.

An interim cash dividend for 2025 of 6.0 pence per share was announced in August 2025 and $31.0 million (£23.5 million) was paid in November 2025.

9. Exploration and evaluation assets

	Total $000
Cost:	
At 1 January 2025	20,367
Acquisitions	19,391
Additions	6,467
Transfers	(4,694)
Asset write-offs	(147)
Currency translation adjustment	1,899
At 31 December 2025	43,283
Acquisitions (note 16)	20,912
Additions	1,370
Currency translation adjustment	(707)
At 30 June 2026	64,858
Net Book Amount:	
30 June 2026	64,858
31 December 2025	43,283
1 January 2025	20,367

10. Property, plant and equipment

	Oil and gas properties $000	Fixtures and fittings $000	Right-of-use assets $000	Total $000
Cost:				
At 1 January 2025	1,575,603	266	10,297	1,586,166
Acquisitions	1,877	-	-	1,877
Additions	257,410	-	791	258,201
Transfers	4,694			4,694
Decommissioning asset revisions	41,676	-	-	41,676
Currency translation adjustment	42,746	20	444	43,210
31 December 2025	1,924,006	286	11,532	1,935,824
Acquisitions (note 16)	54,840	-	2,173	57,013
Additions	68,223	-	5,049	73,272
Currency translation adjustment	(11,032)	(5)	(183)	(11,220)
At 30 June 2026	2,036,037	281	18,571	2,054,889
Depreciation and depletion:				
At 1 January 2025	590,414	266	3,898	594,578
Charge for the year (note 5)	157,101	-	1,040	158,141
Charge for the year - other	-	-	1,045	1,045
Currency translation adjustment	26,150	20	174	26,344
At 31 December 2025	773,665	286	6,157	780,108
Charge for the period (note 5)	129,880	-	750	130,630
Provision for impairment	5,820	-	-	5,820
Charge for the period - other	-	-	644	644
Currency translation adjustment	(7,953)	(5)	(62)	(8,020)
At 30 June 2026	901,412	281	7,489	909,182
Net book amount:				
At 30 June 2026	1,134,625	-	11,082	1,145,707
At 31 December 2025	1,150,341	-	5,375	1,155,716
At 1 January 2025	985,189	-	6,399	991,588

Depreciation and depletion

Depletion charges on oil and gas properties are calculated on a unit of production method based on commercial proved and probable reserves and are classified within ‘cost of sales’. Depreciation on other elements of property, plant and equipment is provided on a straight-line-basis and taken through administration expenses.

Provision for impairment
The $5.8 million provision for impairment relates to the Orlando asset in the UK North Sea. Production at Orlando halted in May 2026 and, following a decision not to proceed with remedial activity, there will be no further production from the field.

11. Provisions

	Decommissioning provision $000	Other provision $000	Total $000
At 1 January 2025	145,659	315	145,974
Acquisitions	56,480	-	56,480
Change in estimate	41,676	-	41,676
Unwinding of discount	6,637	-	6,637
Utilisation	(1,088)	(108)	(1,196)
Additions	-	987	987
Currency translation adjustment	1,748	-	1,748
At 31 December 2025	251,112	1,194	252,306
Acquisitions (note 16)	272,165	-	272,165
Change in estimate	590	-	590
Unwinding of discount (note 7)	6,300	-	6,300
Utilisation	(15,136)	-	(15,136)
Currency translation adjustment	(394)	(4)	(398)
At 30 June 2026	514,637	1,190	515,827
Classified as:			
Current	17,919	1,190	19,109
Non-current	496,718	-	496,718
At 30 June 2026	514,637	1,190	515,827
Classified as:			
Current	17,518	1,194	18,712
Non-current	233,594	-	233,594
At 31 December 2025	251,112	1,194	252,306

Decommissioning provision
The decommissioning provision represents the present value of decommissioning costs relating to oil and gas interests in the UK which are expected to be incurred up to 2036.

The Group recognised decommissioning provisions of $272.2 million on acquisitions in the period, comprising $206.2 million in respect of its 40% operated interest in the Greater Laggan Area (GLA), relating to the Laggan, Tormore, Glenlivet, Edradour, and Glendronach producing fields (note 16.2), and $66.0 million in respect of the acquired non-operated interests in Catcher ($34.1 million) and the Golden Eagle Area Development (GEAD) ($31.9 million) (note 16.3). The provision estimates were based principally on external party reports, where applicable, supplemented by internal assessments prepared by Serica’s technical team.

12. Loans and borrowings

The Group's loans and borrowings are carried at amortised cost as follows:

	30 June 2026			31 December 2025		
	Principal $000	Fees $000	Total $000	Principal $000	Fees $000	Total $000
Unsecured bonds	300,000	(6,801)	293,199	-	-	-
Reserve based lending	-	(9,060)	(9,060)	231,000	(9,512)	221,488
Total borrowings	300,000	(15,861)	284,139	231,000	(9,512)	221,488

	30 June 2026 $000	31 December 2025 $000
Due within one year	-	-
Due after more than one year	284,139	221,488
Total borrowings	284,139	221,488

Nordic bonds placed

On 12 May 2026, the Group successfully completed the placement of senior unsecured bonds issued by the Company with a principal amount of US$300.0 million and a maturity of five years. The bonds bear interest at a fixed coupon rate of 7.875% per annum, payable 6-monthly in arrears.

The net proceeds from the bonds were used primarily to repay in full the outstanding drawn balance under the Group's Reserve Based Lending (RBL) facility and to strengthen the Group's liquidity position.

Reserves based lending

In July 2026, Serica completed a new six-year senior secured RBL facility of $750 million comprising a $500 million secured revolving loan (Loan) facility and a $250 million secured revolving letter of credit ('LoC') facility. The RBL facility provides significant liquidity to support future acquisitions and investments. The new facility replaces the Group's previous $525 million RBL facility and provides extended maturity and improved pricing terms, and has an initial borrowing base, pro forma for the Spirit Energy assets, of $458 million.

The RBL has a maturity date of 30 June 2032 but with a springing maturity linked to the maturity of the bond, with amortisation commencing on 30 June 2029. The interest rate for loan drawings is SOFR plus a margin of 3.5% per annum and the available amount under the facility is subject to semi-annual redeterminations. The new facility includes a $250 million limit which can be utilised to issue Letters of Credit in relation to Borrowing Base assets without the need for cash security.

The new facility also includes a further uncommitted accordion feature providing access to an additional $750 million, comprising up to $500 million on the Loan facility and up to US$250 million on the LoC facility, taking potential total facilities to $1,500 million.

The RBL includes a financial covenant to maintain net debt/EBITDAX cover ratio below 3.5 and other terms and conditions are consistent with Loan Market Association terms for comparable syndicated RBL financings.

13. Taxation

The major components of income tax charged in the consolidated income statement are:

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Current income tax charge	59,855	-	1,761
Deferred income tax (credit)/charge	(141,594)	143,869	130,404
Total taxation (credit)/charge for the period	(81,739)	143,869	132,165

The deferred tax included in the Balance Sheet is as follows:

	30 June 2026 $000	31 December 2025 $000
Deferred tax assets	818,829	635,798
Deferred tax liabilities	(712,272)	(712,930)
Total deferred tax asset/(liability)	106,557	(77,132)

Reconciliation of net deferred tax asset/(liability) for the period:	$000
At 1 January 2026	(77,132)
Tax credit for the period recognised in profit (note 16.4)	141,594
Net deferred tax on acquisition (note 16.5)	40,381
Currency translation adjustment	1,714
At 30 June 2026	106,557

Tax losses

The Group's Condensed Consolidated Statement of Financial Position has recognised a deferred tax asset amount of $818.8 million as at 30 June 2026 (31 December 2025: $635.8 million) arising from ring-fence losses, decommissioning liabilities and other temporary differences. These deferred tax assets are expected to be recovered through utilisation against deferred tax liabilities, primarily related to temporary differences on fixed assets and through future taxable profits.

The Group's deferred tax assets at 31 December 2025 and 30 June 2026 are recognised to the extent that taxable profits are expected to arise in the future against which tax losses and allowances in the UK can be utilised. In accordance with IAS 12 Income Taxes, the Group assessed the recoverability of its deferred tax assets at 30 June 2026 with respect to ring fence losses and allowances.

Changes to UK corporation tax legislation
In October 2024, the UK Government announced changes (effective from 1 November 2024) to the Energy Profits Levy ('EPL'), including a 3% increase in the rate taking the headline rate of tax on North Sea profits to 78%, an extension to the period of application of the EPL to 31 March 2030 and the removal of the EPL's main investment allowance. The changes to the rate and to the investment allowance were substantively enacted in November 2024 and have been applied in both 2024 and 2025, and 2026 interim when accounting for current tax and deferred tax.

The extension of the EPL to 31 March 2030 was substantively enacted on 3 March 2025 and was reflected in the 2025 interim and full year financial statements. The impact of the extension was an additional deferred tax expense of $65 million.

Following the introduction of the EPL in 2022, on 24 May 2024, Finance (No.2) Act 2024 enacted the Energy Security Investment Mechanism ('ESIM'). The original ESIM threshold prices were $71.40 per barrel for oil and 54 pence per therm for gas. These thresholds were based on a 20-year average to the end of 2022. These thresholds were adjusted from 1 April 2024, and will be adjusted annually thereafter, by the preceding December's year-on-year increase in the Consumer Prices Index. The ESIM operates to remove EPL if both average oil and gas prices fall to, or below, $78.65 per barrel for oil and 61p per therm for gas from 1 April 2026, for two consecutive quarters.

On 13 July 2026, the UK Government published draft legislation ahead of Finance Bill 2026-27 (the 'Finance Bill') with regards to the Oil and gas revenue levy ('OGRL') (which was formerly referred to as the oil and gas price mechanism ('OGPM')) that will apply at a rate of 35% to oil and gas revenues earned above specified thresholds (initially $90 per barrel for oil and 90 pence per therm for gas for the financial year ended 31 March 2027, but subject to certain adjustments in relation to hedging) and which is intended to replace the EPL.

The OGRL will take effect the day after the EPL ceases, being the earlier of 31 March 2030 or any earlier date triggered by the ESIM. As at the reporting date, given that the relevant legislation remains in draft and has therefore not been substantively enacted, the impact of the OGRL has not been reflected in the measurement of current or deferred tax balances in accordance with IAS 12 Income Taxes. Accordingly, the proposed legislative changes have had no impact on the Group's tax charge, deferred tax balances or results for the interim period.

The UK has also implemented the Organisation for Economic Co-operation and Development's ('OECD') proposals for global minimum corporation tax rate (Pillar Two) which is effective for periods beginning on or after 31 December 2023. The only jurisdiction in which the Group currently has material operations is the UK, and the Group does not expect any exposure to Pillar Two income taxes.

14. Equity share capital

As at 30 June 2026, the share capital of the Company comprised one 'A' share of £50,000 and 393,568,407 ordinary shares of $0.10 each. The 'A' share has no special rights.

The balance classified as total share capital includes the total net proceeds (both nominal value and share premium) on issue of the Group and Company's equity share capital, comprising $0.10 ordinary shares and one 'A' share.

Allotted, issued and fully paid: **Group**	Number '000	Share capital $000	Share premium $000	Total share capital $000	Merger reserve $000
At 1 January 2025	393,468	39,347	206,190	245,537	286,590
Shares issued	100	10	168	178	-
At 31 December 2025	393,568	39,357	206,358	245,715	286,590
Shares issued	-	-	-	-	-
At 30 June 2026	393,568	39,357	206,358	245,715	286,590

During H1 2026, nil ordinary shares were issued to satisfy awards under the Company's share-based incentive schemes.

Group merger reserve

Merger relief was applied by the Group's parent entity Serica Energy plc upon the respective issues of 108,170,426 ordinary shares in March 2023, 1,438,849 ordinary shares in September 2023 and 1,438,849 ordinary shares in March 2024, for the acquisition of Tailwind Energy Investments Ltd. The valuation of the shares issued was based on the fair value at the date of issue, with the nominal value of the shares issued credited to share capital and the excess value of $286.6 million (£230.3 million) above nominal share capital credited to a merger reserve in the consolidated Group accounts.

Treasury/own shares reserve

Treasury and own shares represent Serica shares repurchased and available for specific and limited purposes. A balance of 1,656,724 own shares (31 December 2025: 3,013,783 treasury shares) included in the reserve of $3,397,000 is held at 30 June 2026 (31 December 2025: $6,678,000). The Company purchased nil ordinary shares during 2026.

15. Additional cash flow information

Net cash flows from operating activities consist of:

	Six months ended 30 June 2026 $000	Six months ended 30 June 2025 $000	Year ended 31 December 2025 $000
Operating activities:			
Profit/(loss) for the period	6,134	(43,094)	(51,822)
Adjustments to reconcile profit/(loss) for the period to net cash flow from operating activities:			
Taxation (credit)/charge	(81,739)	143,869	132,165
Change in fair value of financial liabilities	4,508	3,587	2,471
Change in provisions	590	-	987
Net finance costs	21,316	13,725	29,160
Depletion and depreciation	131,274	55,447	159,186
Oil and NGL over/underlift movement	17,355	15,023	9,660
E&E asset write-offs	-	96	147
Impairment of producing assets	5,820	-	-
Unrealised hedging losses/(gains)	110,843	(53,136)	(67,371)
Contract revenue - other	-	(5,408)	(5,408)
Share-based payments	1,648	1,673	3,523
Expense of goodwill (note 16)	95,582	-	-
Other non-cash movements	(1,284)	1,437	111
Decrease in restricted cash	10,600	-	-
(Increase)/decrease in receivables	(69,926)	(9,616)	(10,826)
Decrease/(Increase) in inventories	7,088	(605)	(7,562)
Increase/(decrease) in payables	10,684	(21,044)	(14,475)
Cash inflow from operations	270,493	101,954	179,946
Taxation received	9,126	70,554	63,358
Decommissioning spend	(5,847)	(104)	(1,088)
Net cash inflow from operating activities	273,772	172,404	242,216

16. Business Combinations

16.1 Prax Upstream Limited

Overview of the transaction
On 11 December 2025, the Company completed the acquisition of 100% of the shares of Prax Upstream Limited (PUL) for a purchase consideration of $19.6 million and as a result of this acquisition Serica held a 100% operated interest in the Lancaster field in the West of Shetland Area. The acquisition is considered to constitute a business as defined in IFRS 3 *Business Combinations* and is therefore accounted for as a business combination.

At the acquisition date PUL was party to separate executed Sale and Purchase Agreements ('Existing SPAs') with TotalEnergies and ONE-Dyas for the purchase of certain assets for base consideration payable of $1 and $6.75 million respectively. The base consideration in both transactions was adjusted by customary completion adjustments in the interim period. Completion of the Existing SPAs occurred in H1 2026, and Serica now holds a 40% operated interest in the Greater Laggan Area ('GLA'), 10% interest in the Catcher field, 5.21% interest in the Golden Eagle Development ('GEAD'). Further details are in note 16.2 and 16.3.

The PUL acquisition consideration, management's assessment of the net assets acquired, liabilities assumed on acquisition and subsequent goodwill arising, were included in Note 29 of the Serica Energy 2025 Annual Report. There have been no changes in the provisional fair value recognised on acquisition.

The provisional fair value assets and liabilities identified at acquisition did not include future value that the Group expects to generate from future events in 2026 being the completion of the existing SPAs (including synergies). The Group did not own or control the assets and liabilities associated with the existing SPAs as at the 11 December 2025 date of acquisition of PUL as the SPAs were still subject to standard partner and regulatory approvals. Serica did not recognise deferred tax assets that are contingent on controlling those assets at acquisition. No element of goodwill is expected to be deductible for income tax purposes and will be reviewed and finalised within 12 months from the acquisition date.

The purchase price allocation remains provisional as permitted by IFRS 3. The fair value of identifiable assets and liabilities may be adjusted within the measurement period of up to one year from the acquisition date for new information which existed at acquisition date and therefore finalised in Serica's full year 2026 financial statements.

16.2 Acquisition of Greater Laggan Area (GLA) Interest

Overview of the transaction
At the original acquisition date of PUL by Serica Energy plc on 11 December 2025, PUL was party to a separate executed Sale and Purchase Agreement with TotalEnergies. On 26 March 2026, the Group completed the acquisition of a 40% operated interest in the GLA hub in the West of Shetland basin, associated infrastructure, together with operated licence interests in four near-field exploration blocks. The assets acquired comprise producing oil and gas interests, associated gas processing and transportation infrastructure, and related operating activities. The acquisition is considered to constitute a business as defined in IFRS 3 *Business Combinations* and is therefore accounted for as a business combination.

The consideration transferred comprised £1 cash consideration, and the Group received net cash proceeds of $55.7 million, reflecting interim post-tax cashflows generated between the Economic Date of 1 January 2024 and the completion date. The acquisition provides Serica with net 2P reserves of 4.0 mmboe and net 2C resources of 5.4 mmboe as at 31 December 2025, together with multiple opportunities for future organic growth.

Acquisition of GLA – assets acquired and liabilities assumed

The acquisition consideration, management's assessment of the net assets acquired, liabilities assumed on acquisition and subsequent goodwill arising are as follows:

Assets acquired and liabilities assumed at date of acquisition	Provisional Fair value recognised on acquisition
	$000
Assets	
Exploration & Evaluation assets (note 16.5)	20,912
Property, plant and equipment (note 16.5)	52,173
Net deferred tax asset (note 16.5)	40,056
Debtors, prepayments and other assets	205
	113,346
Liabilities	
Trade and other payables/other liabilities	(2,378)
Provisions (note 16.5)	(206,177)
	(208,555)
Total identifiable net liabilities at fair value	**(95,209)**
Cash consideration received	(55,692)
Contingent consideration payable	11,400
Purchase consideration	**(44,292)**
Provisional goodwill on acquisition	50,917
The cash inflow on acquisitions is as follows:	
Cash consideration received	55,692
Net cash inflow on acquisition	**55,692**

The excess of the purchase consideration over the provisional fair value of the net liabilities assumed was recognised as provisional goodwill at acquisition. The purchase price allocation remains provisional as permitted by IFRS 3. The fair value of identifiable assets and liabilities, and subsequent goodwill, may be adjusted within the measurement period of up to one year from the acquisition date for new information which existed at acquisition date and therefore finalised in Serica's full year 2026 financial statements. No element of goodwill is expected to be deductible for income tax purposes. See note 16.4 for further information.

Contingent consideration payable

As part of the acquisition, the Group may be required to make additional contingent consideration payments based on future value that may be realised from the introduction of the Tornado field into the GLA hub. The contingent consideration was measured at fair value of $11.4 million at the acquisition date and recognised as part of the consideration transferred, reflecting management's estimate of the probability-weighted future payments expected under the arrangement. Subsequent changes in the fair value of the contingent consideration will be recognised in profit or loss.

Other

The Group has not disclosed the pro forma revenue and profit or loss contribution to the combined group as though the acquisition had occurred at the beginning of the H1 2026 reporting period, as it was impracticable for management to obtain this information for the interim financial statements.

16.3 Acquisition of ONE-Dyas Interests

Overview of the transaction

At the original acquisition date of PUL by Serica Energy plc on 11 December 2025, PUL was party to a separate executed Sale and Purchase Agreement with ONE-Dyas for the purchase of certain assets for base consideration payable of $6.75 million. The transaction completed on 10 June 2026, and Serica acquired a 10% interest in the Catcher field and a 5.21% interest in the Golden Eagle Area Development ('GEAD'). Serica received a consideration payment of $13.0 million, reflecting interim post-tax cashflows between the Economic Date of 1 January 2024 and the date of completion.

The non-operated producing interests acquired were in unincorporated joint interests which comprised an integrated set of activities and assets capable of generating outputs and being managed for the purpose of providing goods and generating income. The acquisition is considered to constitute a business as defined in IFRS 3 *Business Combinations* and is therefore accounted for as a business combination.

Acquisition of ONE-Dyas – assets acquired and liabilities assumed

The acquisition consideration, management's assessment of the net assets, acquired liabilities assumed on acquisition and subsequent goodwill arising are as follows:

Assets acquired and liabilities assumed at date of acquisition	Provisional Fair value recognised on acquisition
	$000
Assets	
Property, plant and equipment (note 16.5)	4,840
Net deferred tax asset (note 16.5)	325
Debtors, prepayments and other assets	413
Inventory	1,367
Underlift receivable	7,903
	14,848
Liabilities	
Trade and other payables	(466)
Provisions (note 16.5)	(65,988)
	(66,454)
Total identifiable net liabilities at fair value	**(51,606)**
Cash consideration received	(12,990)
Purchase consideration	**(12,990)**
Provisional goodwill on acquisition	38,616
The cash inflow on acquisitions is as follows:	
Cash consideration received	12,990
Net cash inflow on acquisition	**12,990**

The excess of the purchase consideration over the provisional fair value of the net liabilities assumed was recognised as provisional goodwill at acquisition. The purchase price allocation remains provisional as permitted by IFRS 3. The fair value of identifiable assets and liabilities, and subsequent goodwill, may be adjusted within the measurement period of up to one year from the acquisition date for new information which existed at acquisition date and therefore finalised in the 12 month period post acquisition. No element of goodwill is expected to be deductible for income tax purposes. See note 16.4 for further information.

Other

In the 20-day period from the date of acquisition to the period end 30 June 2026, no oil liftings were undertaken and the assets contributed revenue of $nil and a loss before tax of $1.0 million to the consolidated group loss before tax from continuing operations of the Group.

16.4. Goodwill

The table below reconciles the additions to goodwill arising from the Serica group's PUL, GLA and ONE-Dyas acquisitions, and goodwill expensed in the period.

	$000
At 1 January 2025	-
Acquisition of Prax Upstream Limited (note 16.1)	56,497
At 31 December 2025	**56,497**
GLA acquisition (note 16.2)	50,917
ONE-Dyas acquisition (note 16.3)	38,616
Goodwill recognised during the period	**89,533**
Less:	
Expense of goodwill during the period	**(95,582)**
At 30 June 2026	**50,448**

Goodwill recognised during the period

In addition to goodwill that existed at 31 December 2025 following Serica's acquisition of PUL, further goodwill arose during H1 2026 on the acquisitions of the GLA and ONE-Dyas interests. The goodwill provisionally recognised arose from two principal components: from the requirements to recognise deferred tax on the difference between the fair value and the tax base of the assets acquired; and the value of future economic benefits expected to be realised from the acquired assets and operations, that did not qualify for separate recognition under IFRS 3, including the potential to utilise tax losses that arose on the wider Prax Upstream Limited acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

Goodwill subsequently expensed during the period

Following the completion of acquisitions in H1 2026, value attributed to tax losses was reflected as deferred tax assets in the reporting period. The income statement deferred tax credit for the period of $141.6 million included amounts recognised in respect of PUL deferred tax assets. The value attributed to the PUL sub-group effectively assumed some of the value of goodwill initially recognised and noted above. This led to the expense of $95.6 million in goodwill noted in the table above.

The goodwill balance as at 30 June 2026 primarily arises from the requirements to recognise deferred tax on the difference between the fair value and the tax base of the assets acquired. This fair value uplift is not tax deductible and therefore results in a net deferred tax liability and corresponding entry to goodwill.

16.5 Reconciliation of assets acquired and liabilities assumed

The table below reconciles the assets acquired and liabilities assumed as part of the acquisition to the corresponding line items disclosed elsewhere in these financial statements. This reconciliation is provided to facilitate an understanding of how the acquired balances have been allocated and presented within the Group's statement of financial position and the related note disclosures.

	GLA acquisition (note 16.2)	ONE-Dyas acquisition (note 16.3)	**Total**
As presented in the financial statements:	$'000	$'000	**$'000**
Exploration and evaluation assets (note 9)	20,912	-	**20,912**
Property, plant, and equipment (note 10)	52,173	4,840	**57,013**
Provisions (note 11)	206,177	65,988	**272,165**
Deferred tax (note 13)	40,056	325	**40,381**
Business combination, net cash received/acquired (statement of cash flow)	55,692	12,990	**68,682**

17. Subsequent events

RBL refinancing
On 23 July 2026 the Group announced that it had completed a new six-year senior secured Reserve Based Lending (RBL) facility (see note 12).

Recommended acquisition of Pharos Energy
On 26 July, the Group announced the potential acquisition of Pharos Energy plc which is complementary to the Group's long-term strategy and expected to enhance portfolio diversification and growth. Completion of the transaction is subject to ongoing approval.

18. Publication of Non-Statutory Accounts
The financial information contained in this interim statement does not constitute statutory accounts as defined in the Companies Act 2006. The financial information for the full preceding year is based on the statutory accounts for the financial year ended 31 December 2025, which are available at the Company's registered office at 72 Welbeck Street, London W1G 0AY and on its website at www.serica-energy.com and on SEDAR at www.sedar.com.

This interim statement will be made available at the Company's registered office at 72 Welbeck Street, London W1G 0AY and on its website at www.serica-energy.com and on SEDAR at www.sedar.com.

Reconciliation of non-IFRS measures

Serica uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles ('**GAAP**'). These non-IFRS measures, which are presented within the financial review, are defined below:

EBITDAX: Earnings before interest, tax, depreciation and amortisation, impairments, transaction costs, unrealised hedging expenses, FX translation effects, asset revaluation effects, other noncash gains or expenses and exploration expenditure. This is a useful indicator of underlying business performance and the definition adopted by Serica is consistent with that stipulated in the Group's reserve based lending ('**RBL**') facility. A reconciliation from Operating (Loss)/Profit to EBITDAX is provided below:

$ 000	H1 2026	H1 2025
Operating (Loss)/Profit	(49,781)	118,087
Add back transaction costs	3,048	-
Add back DD&A	130,630	54,932
Add back depreciation in G&A	644	515
Add back E&E expenses and licence costs	-	1,196
Add back impairment of producing assets	5,820	-
Deduct contract revenue - other	-	(5,408)
Add back / (deduct) unrealised hedging	110,843	(53,136)
Add back goodwill expense	95,582	-
Add back / (deduct) FX effects/remeasurements	2,116	635
Add back share-based payments	1,648	1,673
EBITDAX	**300,550**	118,494

Capital Expenditure: Comprises the cash spend (prior to tax allowances) on the acquisition of PP&E assets and the purchase of exploration and appraisal assets. Depicts how much the Group has spent, on a cash basis, on purchasing fixed assets in order to further its business goals and objectives. It is a useful indicator of the Group's organic expenditure on oil and gas assets, and exploration and appraisal assets, incurred during a period on a pre-tax basis.

$ 000	H1 2026	H1 2025
Purchase of PP&E assets	79,427	136,527
Purchase of E&E assets	1,370	1,179
Capital Expenditure	**80,797**	137,706

Post-tax CFFO: comprises cash inflow from operations adjusted by the cash tax paid or received for the period. Serica considers that this is a useful measure of the cash generation of the business prior to the decisions made by the Group in relation to capital allocation and utilises this measure as the basis for determining its dividend in line with its dividend policy.

$ 000	H1 2026	H1 2025
Cash inflow from operations	270,493	101,954
Add taxation received / (paid)	9,126	70,554
Post-tax CFFO	**279,619**	172,508

Free cash flow: net cash flow from operating activities less cash used in investing activities (excluding acquisition costs) and financing activities. This measure is considered a useful indicator of the Group's ability to invest, repay the Group's debt and meet other payment obligations. Group free cash flow reconciles to net cash flow from operating activities as follows

$ 000	H1 2026	H1 2025
Net cash flow from operating activities	273,772	172,404
Net cash flow from investing activities	(14,828)	(145,649)
Net cash flow from financing activities	48,767	(12,421)
Adjusted by:		
Repayment of loans and borrowings	231,000	-
Proceeds from borrowings net of fees	(293,199)	979
Payments for share buyback	-	-
Proceeds from issue of shares	-	(178)
Acquisition and transactions receipts (net)	(61,466)	10,416
Free cash flow	**184,046**	25,551

Adjusted net cash / (debt): Total cash and cash equivalents plus the level of interest bearing loans net of the carrying value of unamortised fees. This is an indicator of the Group's indebtedness and contribution to capital structure.

$ 000	30 June 2026	31 December 2025
Interest bearing loans	(284,139)	(221,488)
Add back unamortised fees	(15,861)	(9,512)
Cash and cash equivalents	324,451	18,840
Restricted cash	1,460	12,060
Adjusted Net Cash/(Debt)	**25,911**	(200,100)