



Recommended acquisition of Pharos Energy

Delivery of value accretive, materially cash-generative, international diversification providing platform for further growth

26 July 2026

Contributing responsibly towards meeting the world's energy needs through the safe and efficient production of hydrocarbons

A recommended cash offer with clear strategic rationale

Acquisition terms

Offer amount	33.6p/sh
Cash consideration	28.6683p/sh
Special dividend	4.0p/sh
FY25 ordinary dividend	0.9317p/sh
Equity value ²	£145.7m

Timetable

26 July 2026 - Rule 2.7 announcement
Within 28 days – Scheme document publication
Q3 2026 – Court Meeting and General Meeting
H1 2027 – Scheme effective

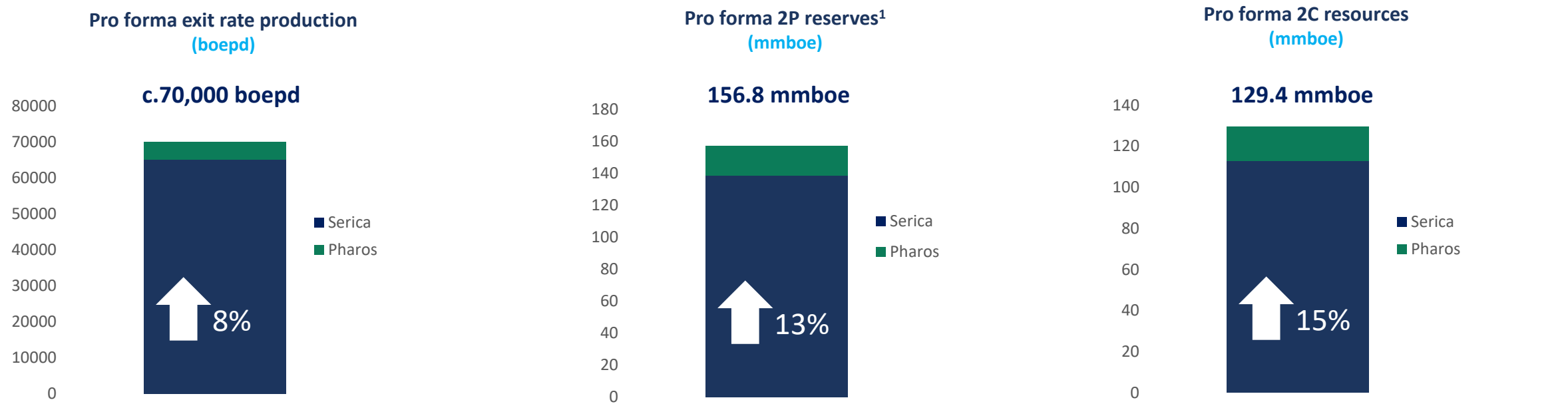
Low-risk diversification accretive on a per share basis on all key metrics

Enlarged and internationally diverse

Enhanced cash generation

Complementary strategy

Springboard for further growth



Attractive acquisition cost of \$8.4/boe 2P, \$4.4/boe 2P+2C, with rapid payback

1) As at 31 December 25, pro forma for Serica’s announced acquisitions

Strategically complementary, compelling opportunity



Enlarged and internationally diverse

- Exit rate production of 70,000 boepd¹ across three countries
- Increase in reserves and resources

Enhanced cash generation

- Adds established, cash-generative production in Vietnam and Egypt and a debt-free balance sheet with \$45.2 million cash at 30 June 2026
- Cash generation to be enhanced through removal of duplicate corporate costs

Complementary strategy

- Serica and Pharos both focused on cash generation delivering both growth and returns
- Retain local organisations and host-government relationships in Vietnam and Egypt
- Serica's subsurface team has ability to identify organic growth opportunities in both new countries

Springboard for further growth

- Established platform in South East Asia, with highly experienced team in Vietnam
- Robust balance sheet with material liquidity, able to capitalise on opportunities to create further value

Expected to be immediately accretive on a per-share basis to production, reserves, and key financial metrics



A leading UK company, growing in the North Sea...



- Operates assets that **deliver >10% of UK gas production**
- **Diversified portfolio** stretching from West of Shetland to Southern North Sea
- In process of contracting rig for rapid return multi-well 2027 drilling programme, with the **potential to deliver value accretive growth** and support UK energy security
- Production and reserves broadly **evenly split between oil & gas**
- **Robust balance sheet** supporting credit quality, with ample liquidity and no amortisation until 2029 enabling further growth
- Favourable **tax position** supporting strong cash flow and accretive UK M&A



25 fields

Producing end 2026¹



c.65,000 boepd

Expected end 2026¹



138 mmboe

2P reserves¹



113 mmboe

2C resources¹



\$784 million

Liquidity²



... with established cash-generative operations in Vietnam and Egypt



- **Vietnam**

- Established assets, with production at two fields and further potential for growth from two additional exploration blocks with world-class potential
- Supportive regulatory environment, key stepping stone to South East Asian growth

- **Egypt**

- High-quality oil production operations with local operator, and development assets enabled by recent concession renegotiation
- Attractive investment environment to pursue additional production volumes and reserves



4 producing assets



c. 5,650 boepd
H1 2026 production



18.4 mmboe
2P reserves

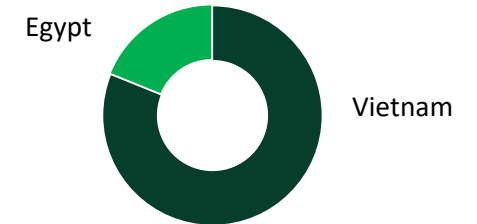


16.8 mmboe
2C resources



\$45.2 million
Cash balance

H1 2026 Production



2P reserves



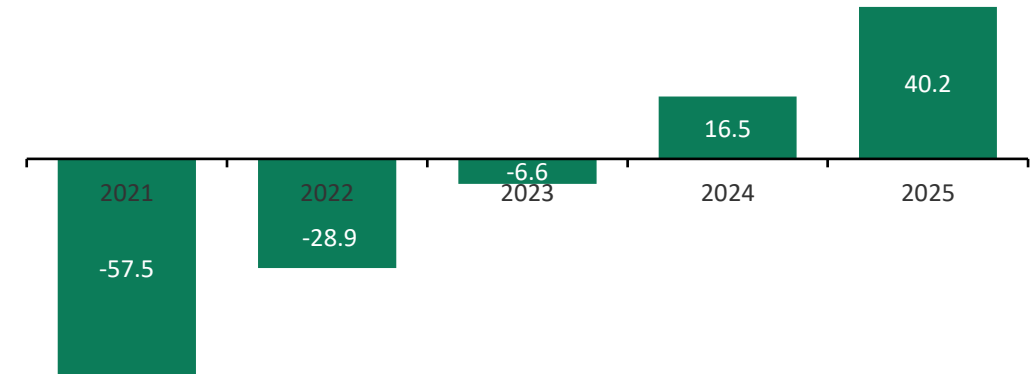
2C resources



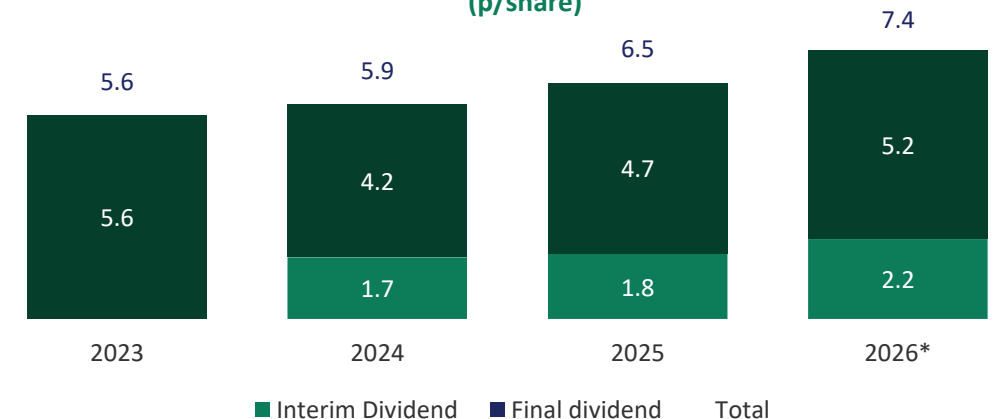
Highly complementary strategy – cash generation and returns

- Pharos has been refocused by management to deliver a **mix of growth and returns, paying consistent and growing dividends**
- **Material cash generation** to come, limited expenditure
- **No change to Serica's stated distribution policy** at recent Capital Markets Day, targeting 15-30% of post-tax Cash Flow from Operations
- **Combination of Serica and Pharos offers tangible benefits:**
 - Serica's **world-class subsurface team** has capability to identify further opportunities in mature fields
 - Serica's financial strength allows **opportunities to maximise and accelerate value creation**, while also realising synergies
 - Pharos FY25 administrative expenses were \$8.8 million, with potential to reduce overlapping corporate functions

Pharos - consistent net cash build
(\$ million)



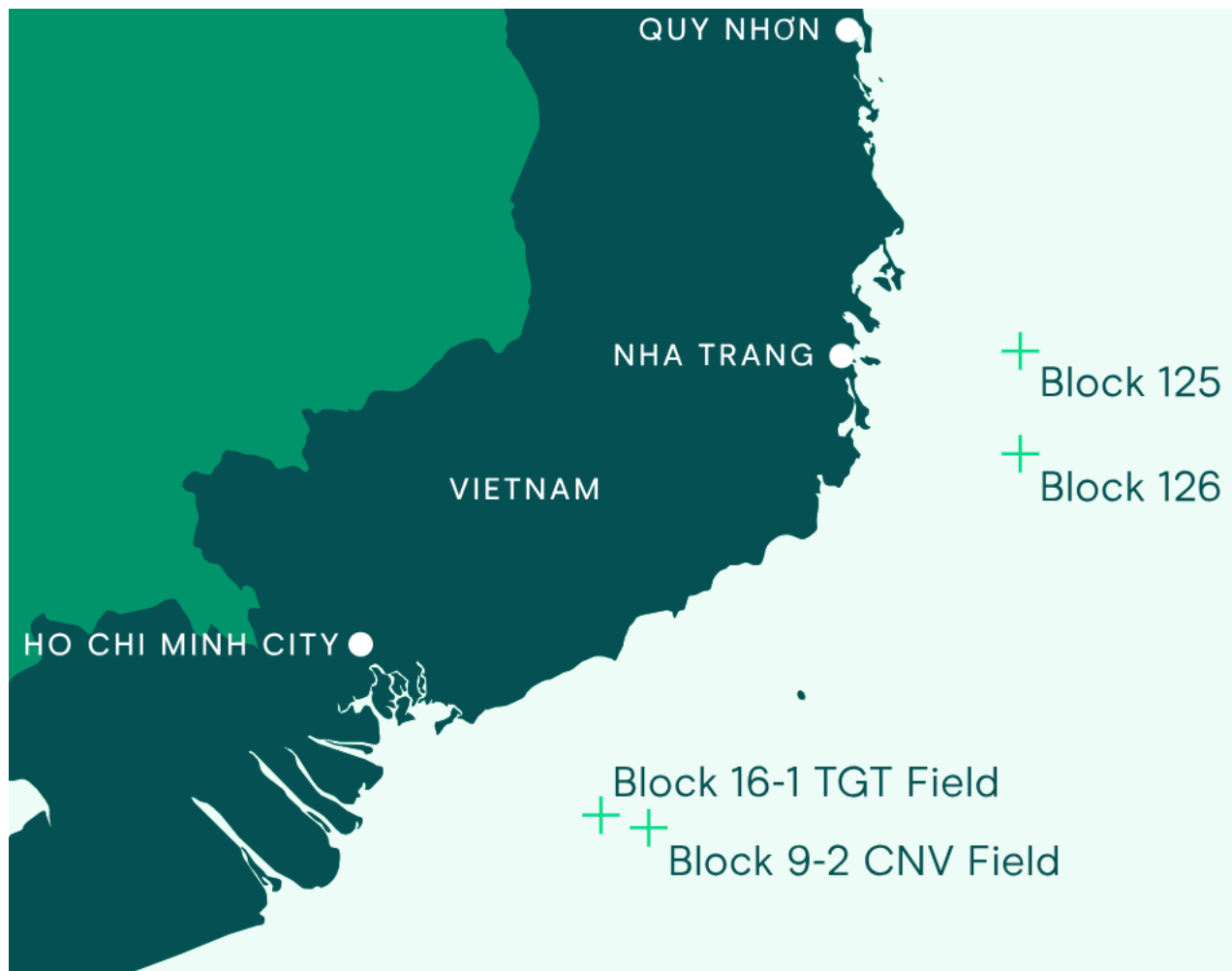
Pharos - history of dividend payments
(p/share)



* Interim dividend for 2025 of 0.3993p per share, \$2.2 million, paid in January 2026;
Final dividend for 2025 of 0.9317p per share, \$5.2 million, paid on 17 July

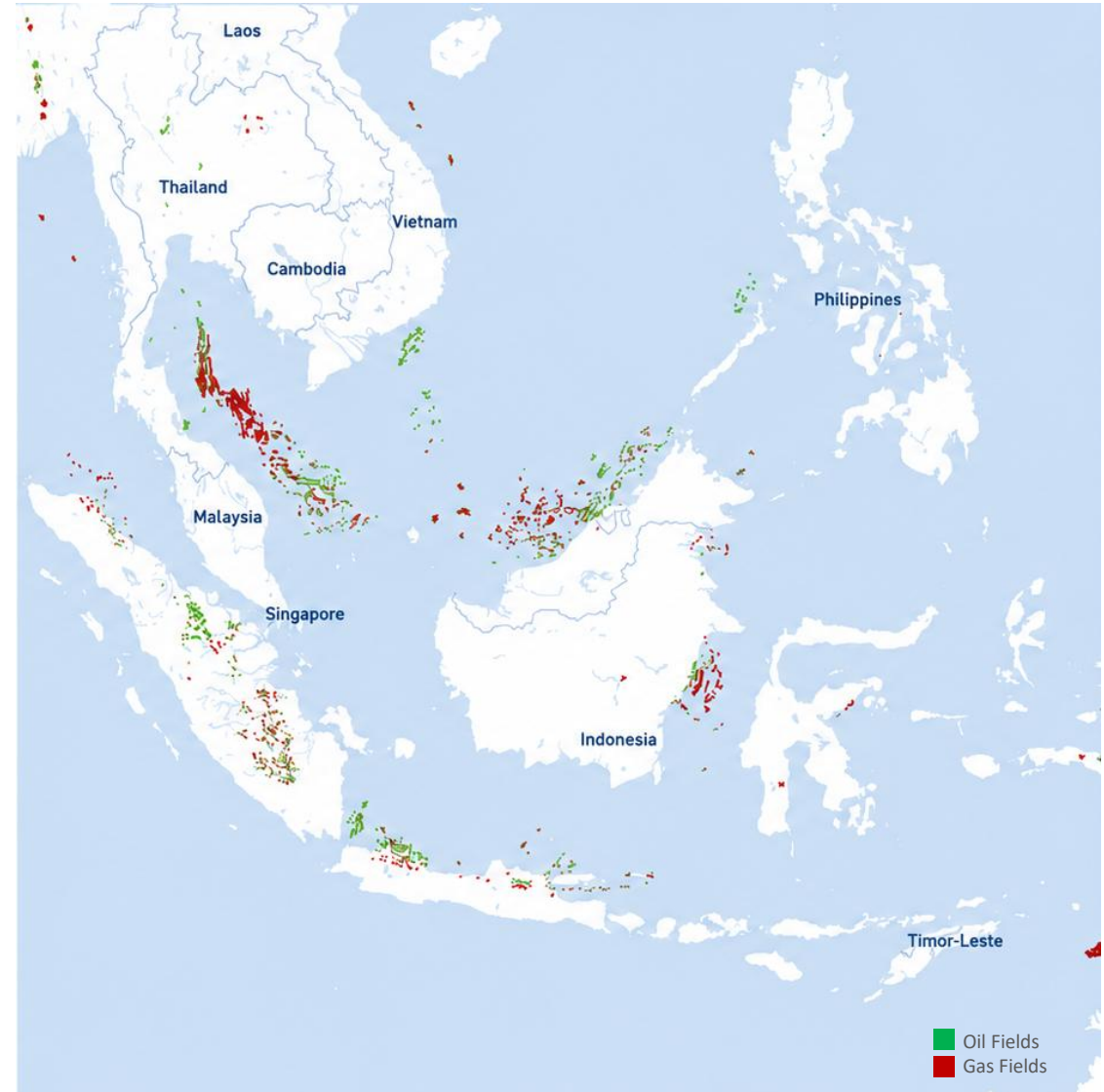
Vietnam: production and growth potential in supportive jurisdiction

- **H1 2026 production: 4,600 boepd**
- **7.2 mmboe of 2P reserves** as at 31 December 2025
- **7.8 mmboe of 2C resources** as at 31 December 2025
- All oil sold domestically to local refinery, TGT realising **\$15/bbl premium to Brent in July**
- Two producing fields through Joint Operating Company model, TGT and CNV among Vietnam's largest oil producers:
 - TGT (30.5% working interest¹): drilling campaign completed on time and on budget
 - CNV (25% working interest¹): final appraisal well on track to complete in July
- **Clear growth pathway:**
 - Near-term: TGT / CNV appraisal and infill, expected by Pharos to bring **c.20% growth in production volumes**
 - Long-term: Blocks 125 & 126 (70% working interest) **material exploration upside**, farm-out discussions continuing



Opens potential to recreate North Sea success in South East Asia

- **Growing economies** with increasing energy demand
- **Supportive regional environment** for upstream investment
- **Significant and diverse resource potential** across the region
- Recent track record of **material discoveries, developments and upside potential**
- **Mature asset expertise** directly transferable
- Strong balance sheet provides **competitive advantage in M&A**
- Opportunities across South East Asia as **majors continue to rationalise portfolios**

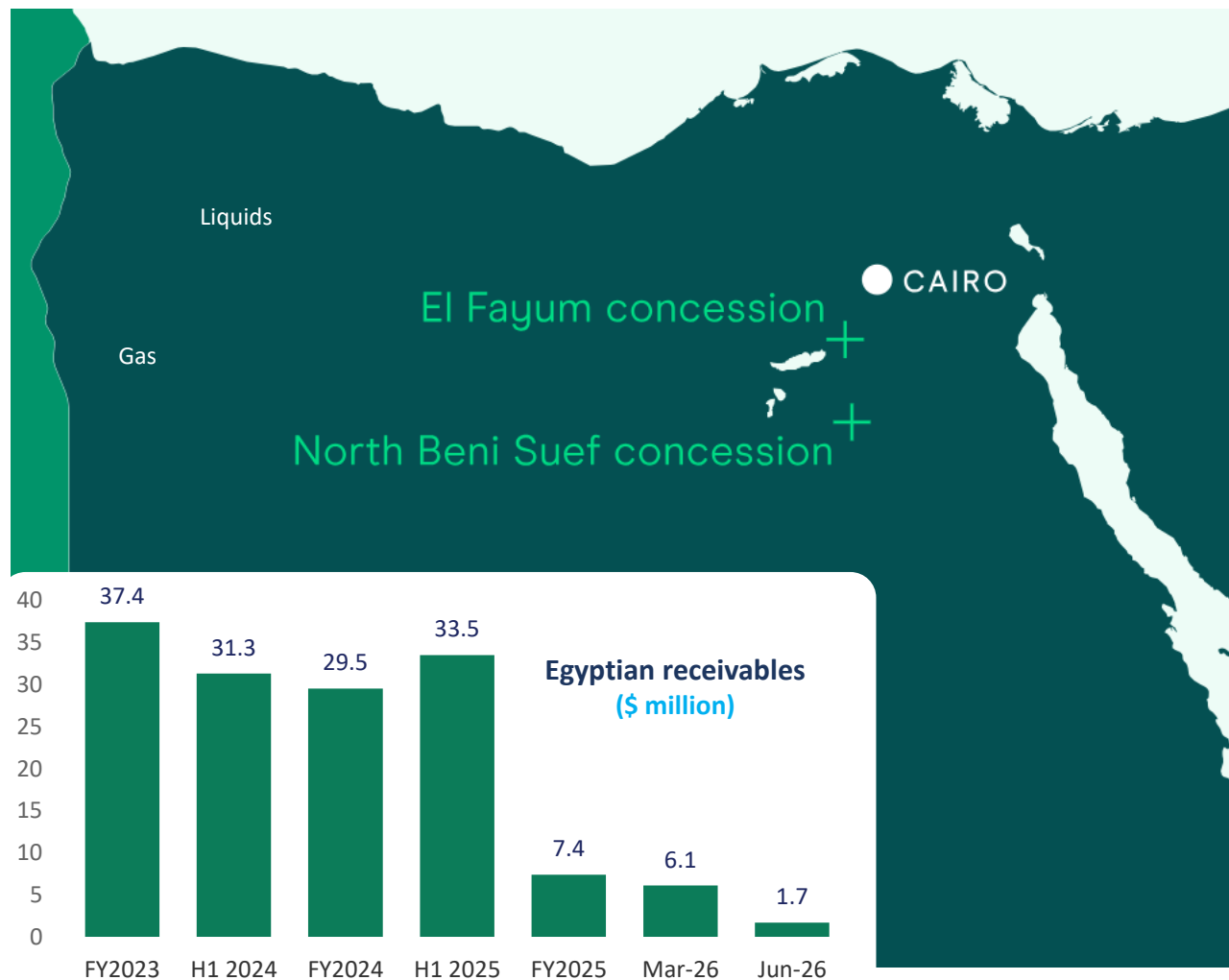


¹ IEA World Energy Outlook 2025, Current Policies Scenario

² Welligence; Others include Myanmar, Philippines, Brunei and Malaysia-Thailand JDA

Egypt: production and development assets, improved fiscal environment

- **H1 2026 production: 1,100 boepd**
- **11.2 mmboe of 2P reserves** as at 31 December 2025
- **9.0 mmboe of 2C resources** as at 31 December 2025
- 45% working interest in El Fayum & North Beni Suef concessions
- IPR Energy, experienced Egyptian operator headquartered in Dallas, is the operator
- **Payment environment materially improved**, with receivable balance of \$1.7 million, lowest since 2019
- **Recently secured improved fiscal terms** in exchange for executing capital programmes, supporting short-cycle development



A diversified portfolio, delivering value through growth and returns

Highly cash generative producer with a platform for disciplined international growth

Rigorous capital allocation approach on high-return short-cycle organic growth opportunities

Flexibility to fund future growth in UK North Sea and overseas

Material and sustainable shareholder returns

Set to move to Main Market and FTSE 250 in 2026





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