23 September 2026
2026 Interim Results

Pharos Energy plc
("Pharos" or the "Company" or, together with its subsidiaries, the "Group")

Interim results for the six months ended 30 June 2026

Pharos Energy plc, an independent energy company with assets in Vietnam and Egypt, announces its interim results for the six months ended 30 June 2026.

Katherine Roe, Chief Executive Officer, commented:

"It has been a busy first half of the year for Pharos as we progressed multi-rig drilling campaigns in both Vietnam and Egypt. In Vietnam, our final well completed at the end of July, concluding a six-well offshore drilling campaign which has been successfully and safely delivered by our team and partners. In Egypt, we have resumed drilling, with the first two wells of a six-well programme already completed and a second rig mobilising to drill a third. These wells are contributing to production and reserves growth, supporting our production guidance and cash flow generation.

"Underpinning our operational performance is our continued debt-free balance sheet. Our financial position strengthened further in the first half, benefitting from strong commodity prices and the collection of all outstanding Egyptian receivables. This ongoing position allows us to work with our partners in Vietnam to take advantage of our strong in-country premiums to Brent and operational momentum from the recently completed campaign to drill an additional appraisal well, TGT-20X, in late September, demonstrating an attractive opportunity to reinvest in our portfolio whilst making efficient use of supplies from the recent campaign.

"The recommended acquisition of Pharos by Ratio Petroleum, approved by shareholders on 28 August 2026, continues to progress and remains subject to the satisfaction of the remaining conditions set out in the Scheme Document and the sanction of the Scheme by the Court at the Sanction Hearing.

"Pharos continues to be cash generative, reflecting stable operations, disciplined capital allocation, and the quality of our asset base. We would like to thank our shareholders and all our stakeholders for their continued trust and support."

Operational Highlights

- Group working interest production was 5,650 boepd net (1H 2025: 5,642 boepd net), in line with full year guidance:
    - Vietnam 4,583 boepd (1H 2025: 4,183 boepd)
    - Egypt 1,067 bopd (1H 2025: 1,459 bopd)
- In Vietnam:
    - Six-well campaign successfully completed; current production rate is in line with pre-drill expectations and contributing to production and reserves
    - TGT: All three infill wells and one appraisal well, TGT-18X, completed by April 2026; in total, the TGT drilling campaign contributed 3,800 bopd gross (1,130 bopd net) in June
    - CNV: The infill well completed in March 2026 and contributed c.700 bopd gross (175 bopd net) in June; appraisal well CNV-5X commenced on 15 March and completed on 30 July. The well is undergoing production testing
- In Egypt:
    - The first well of the 2026 six-well programme, Silah 8-2, completed drilling on 9 July; the second well, Aboud 1-5, completed drilling on 9 September; a third well is expected to be spud shortly following mobilisation of the rig

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Financial Highlights

- Group revenue $85.5m[1] (1H 2025: $65.6m)
- Cash generated from operations $50.6m (1H 2025: $31.9m)
- Operating cash flow $34.9m[2] (1H 2025: $16.1m)
- Net loss $0.4m (1H 2025: $2.8m net loss)
- Cash operating costs $18.38/bbl[3] (1H 2025: $17.04/bbl)
- Cash as at 30 June 2026 of $45.4m (31 Dec 2025: $40.2m)
- Egypt receivable balance at 30 June 2026 was $1.7m (31 Dec 2025: $7.4m), having received a total of $13.7m in 1H 2026
- Average realised crude oil prices:
  - Vietnam: $99.10/bbl (1H 2025: $77.25/bbl), including premium over Brent, representing a 28% increase overall. Prices ranged from a low of $72/bbl in January to a high of $126/bbl in April 2026. Average premiums for 1H 2026 were $5.57/bbl for TGT and $5.83/bbl for CNV. Premiums for 2H 2026 TGT cargoes have been agreed for July to October 2026 and average $12.26/bbl. For CNV, the September 2026 cargo achieved a premium of $13.78/bbl
  - Egypt: $86.36/bbl (1H 2025: $65.85/bbl), after discounts, representing an increase of 31%. Prices ranged from a low of $60/bbl in January to a high of $114/bbl in April 2026. Egypt's average discounts to Brent for the first half of the year were $6.65/bbl for El Fayum and North Beni Suef combined
- Approximately 58% of the Group's 2H 2026 forecast entitlement production and 20% of the Group's 1H 2027 forecast entitlement production hedged, utilising a mix of zero-cost collars, fixed-price swaps, and put options:
  - 2H 2026 hedging portfolio secures average floor and ceiling prices at $60.7/bbl and $81.5/bbl, respectively, and includes swap hedges at an average fixed price of $88.4/bbl4
  - 1H 2027 hedging portfolio secures average floor and ceiling prices at $67.3/bbl and $85.1/bbl, respectively, and includes swap hedges at an average fixed price of $79.0/bbl
- Interim dividend in respect of 2025 of 0.3993 pence per share was paid in January 2026. The final dividend of 0.9317 pence per share was paid in July 2026. This took the full year 2025 dividend to 1.331 pence per share, amounting to $7.4m in total

[1] Stated before realised hedging loss of $3.7m (1H 2025: no realised hedge gains or losses)
[2] Operating cash flow = Net cash from operating activities, as set out in the Cash Flow Statement
[3] See Non-IFRS measures on page 30
[4] Due to the timing of execution, the average swap strike is higher than the zero cost collar ceiling price, as swaps were entered into following the significant Brent price increase, while zero cost collars were executed earlier at lower market prices

Corporate Highlights

- On 24 June 2026, the board of directors of each of Ratio Petroleum Energy LP ("Ratio") and Pharos announced that they had reached agreement on the terms of a recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos (the "Acquisition"), to be effected by court-sanctioned scheme of arrangement (the "Scheme"). The scheme document in respect of the Acquisition was published on 21 July 2026 (the "Scheme Document")
- On 7 August 2026, the board of directors of each of Ratio and Pharos announced that they had agreed the terms of an increased recommended all-cash offer by Ratio for the entire issued and to be issued share capital of Pharos (the "Increased Ratio Offer") to be effected by way of the Scheme. The Increased Ratio Offer followed the earlier announcement of a competing offer for Pharos by Serica Energy plc on 26 July 2026, which subsequently lapsed on 13 August 2026
- On 28 August 2026, at the court-convened meeting to approve the Scheme (the "Court Meeting") and the associated general meeting to approve its implementation (the "General Meeting"), the requisite majority of Pharos shareholders voted to approve the Scheme and pass the resolution proposed at the General Meeting
- Completion of the Acquisition remains subject to the satisfaction (or, where applicable, waiver) of the remaining conditions set out in the Scheme Document, including the remaining Regulatory Conditions and the sanction of the Scheme by the Court at the Sanction Hearing. The Company and Ratio are pursuing the required consents and approvals in both Vietnam and Egypt and will keep shareholders updated on the progress towards completion

Outlook

- 2026 production guidance range narrowed to 5,300 - 5,900 boepd from 5,200 - 6,400 boepd, reflecting increased production from the six-well programme in Vietnam and lower than expected production in Egypt
- Vietnam:
    - The JOCs received approval from PetroVietnam to drill an additional sidetrack appraisal well (TGT-20X) in 2026, utilising supplies from the recently completed drilling campaign. Drilling is expected to commence in late September 2026
    - Exploration farm-out process of Blocks 125 & 126 to continue with encouraging engagement from potential partners
- Egypt:
    - The second rig is mobilising to NBS to drill the third well of the six-well work programme in Egypt
    - Formal ratification of the consolidation of the existing assets expected in due course
- Group estimated cash capital expenditure for 2026 is c.$54m, which includes c.$4m for the additional appraisal well TGT-20X. Expenditure incurred in 1H 2026 was $29.2m, with $27.0m spent for Vietnam and $2.2m for Egypt

Enquiries

Pharos Energy plc — Tel: 020 7747 2000
Katherine Roe, Chief Executive Officer
Sue Rivett, Chief Financial Officer

Camarco — Tel: 020 3757 4980
Billy Clegg | Georgia Edmonds | Violet Wilson | Eloise Quetglas-Peach

Publication on a website

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at https://www.pharos.energy/investors/offer-by-ratio-petroleum/ by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Notes to editors

Pharos Energy plc is an independent energy company focused on delivering sustainable growth and returns to stakeholders, with a portfolio of stable production, development and exploration assets in Vietnam and Egypt. Led by an experienced team, Pharos is a cash generative business with a robust balance sheet and an established platform to deliver both organic growth and inorganic opportunities.

Pharos is listed on the Main Market of the London Stock Exchange. For further information, please visit www.pharos.energy.

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Operational Review

Health and Safety

We are pleased to report that in Egypt and Vietnam, we have worked with our partners to maintain our record of zero Lost Time Injury (LTI) frequency rate and zero spillage incidents through the first half of 2026. Safety continues to be the top priority for our business, and we are committed to operating safely and responsibly at all times to provide a safe and healthy working environment for staff and contractors working closely with our JV/JOC.

Vietnam

Vietnam Production

Production for the first half of 2026 from the TGT and CNV fields net to the Group's working interest averaged 4,583 boepd (1H 2025: 4,183 boepd), in line with guidance.

TGT 1H 2026 production averaged 11,972 boepd gross and 3,551 boepd net to Pharos (1H 2025: 11,053 boepd gross and 3,279 boepd net). CNV 1H 2026 production averaged 4,127 boepd gross and 1,032 boepd net to Pharos (1H 2024: 3,617 boepd gross and 904 boepd net).

Vietnam Development and Operations

TGT & CNV Fields

In the first half of 2026, Pharos continued its multi-rig six-well offshore drilling campaign which commenced in October 2025. The programme, which comprised four TGT wells and two CNV wells, employed two drilling rigs running in parallel. Drilling operations on TGT were completed using the GunnLod Drilling Rig, and CNV using the Thor Drilling Rig.

The programme finished on 31 July, concluding a successful campaign with all six wells safely delivered by our team and partners. These wells are contributing to production and reserves growth, underpinning our production guidance and generating strong cash flow.

On TGT, all three infill wells were completed and put on stream by April, in line with overall pre-drill expectations. Appraisal well TGT-18X, the longest clastic well drilled in Vietnam, completed in March. In total, the four wells in the TGT drilling campaign contributed 3,800 bopd gross (1,130 bopd net) to total production in June 2026.

On CNV, the infill well completed in mid-March 2026 and contributed c.700 bopd gross (175 bopd net) in June. Appraisal well CNV-5X commenced drilling on 15 March and completed on 30 July. The well is undergoing production testing.

Following completion of this six-well programme, in August 2026, the JOCs received approval from PetroVietnam to drill an additional sidetrack appraisal well (TGT-20X) in 2026, utilising supplies from the recently completed drilling campaign. Drilling is expected to commence in late September 2026.

Vietnam Exploration

Blocks 125 & 126

Pharos continued its engagement with an independent third-party adviser to support a formal process intended to identify a potential farm-in partner before exploration drilling commences, with very encouraging engagement. In parallel, discussions continue with rig contractors to retain optionality for the prospect to be drilled.

Egypt

Egypt Production

Production for the first half of 2025 from the El Fayum and NBS fields net to the Group's working interest averaged 1,067 bopd (1H 2025: 1,459 bopd).

El Fayum 1H 2026 production averaged 2,290 bopd gross and 1,031 bopd net to Pharos (1H 2025: 3,093 bopd gross and 1,392 bopd net). NBS 1H 2026 production averaged 81 bopd gross and 36 bopd net to Pharos (1H 2025: 150 bopd gross and 67 bopd net).

Egypt Development and Operations

Drilling in Egypt recommenced in the first half of the year with a six-well work programme, demonstrating the Company's investment back into its assets and leveraging the improved fiscal terms to drive additional value.

The first well, Silah 8-2, spudded on 4 June and completed drilling on 9 July 2026. The well will be tied back to production with a workover rig in the coming weeks. A second rig, DASCO 45, was secured and completed drilling the second well, Aboud 1-5, on 9 September 2026. Production testing indicates initial rates of c. 300 bopd, in line with pre-drill expectations. The well is expected to be put on production in early October. Upon release, this drilling rig will move to NBS to continue the drilling programme.

The processing and interpretation of c.130 km^2 of 3D seismic data on NBS is complete, with a number of targets identified and two wells included in the 2026 work programme.

Financial Review

Finance strategy

There has been strong financial performance from our operations in the first half of 2026 which, benefitting from a high commodity price environment and the collection of all outstanding Egyptian receivables, has enabled us not only to fund our offshore drilling programme in Vietnam, but to increase our period end cash to $45.4m (Dec 2025: $40.2m). The Group remains debt free with the new wells contributing to production, underpinning our production guidance. The Group is well positioned to achieve further growth in 2H 2026 – the quality of oil in Vietnam means that the Group benefits from high premiums to Brent and, in Egypt, a six-well drilling campaign is currently underway, supported by improved fiscal terms in-country.

Returns to shareholders have been delivered through the payment of an interim dividend for 2025 of 0.3993 pence per share in January 2026. A final dividend for 2025 of 0.9317 pence per share was paid to shareholders in July 2026 and this took the full year 2025 dividend to 1.331 pence per share.

On 24 June 2026, the board of directors of Ratio Petroleum Energy LP (Ratio) and Pharos Energy Plc announced that agreement had been reached on the terms of a recommended acquisition by Ratio of the entire issued share capital of Pharos (the "Acquisition"). Following a competing offer from Serica Energy plc (the "Serica Offer"), an increased recommended all-cash offer by Ratio was agreed on 7 August 2026 and the Serica Offer subsequently lapsed on 13 August 2026. On 28 August 2026, at the Court Meeting and General Meeting to approve the Acquisition, the requisite majority of Pharos shareholders voted to approve the Scheme and pass the Resolution to implement the Scheme. In light of the Acquisition, the Board has not declared an interim dividend in respect of the year ended 31 December 2026, but has stated its intention to declare a 4.0 pence dividend with record and payment dates aligned with the respective record and payment dates under the Scheme.

Key Data

	1H 2026	1H 2025
Production Volumes (boepd)	5,650	5,642
Sales Volumes (boepd)	5,417	5,198
Oil Price Realised ($/bbl)	97.75	75.55
Oil & Gas Price Realised ($/boe)	87.21	68.48
Oil & Gas Sales ($m)	85.5	65.6
Total Revenue ($m)[1]	81.8	65.6
Gross Profit ($m)	25.2	16.7
Operating profit ($m)	17.4	12.2
Net cash from operating activities (OCF $m)	34.9	16.1
Cash operating cost per ($/boe)[2]	18.38	17.04
Net cash ($m)	45.4	22.6
EBITDAX ($m)[2]	45.0	34.3

[1] Stated after realised hedging loss of $3.7m (1H 2025: no realised hedge gains or losses)

[2] See Non-IFRS measures on page 30

Operating Performance – Income Statement

Revenue

Oil and gas sales for the period of $85.5m, with a realised hedging loss of $3.7m (1H 2025: $65.6m, with no realised hedging gain or loss), benefitted from a 27% increase in realised commodity prices and 4% higher sales volumes.

Revenues for Vietnam of $77.6m (1H 2025: $56.2m) increased by 38% as a result of higher realised prices and an increase in sales volumes to 4,911 boepd (1H 2025: 4,504 boepd). The average realised crude oil price, including the premium received over Brent, was $99.10/bbl (1H 2025: $77.25/bbl), a 28% increase overall. The average premium to Brent remained consistent at $5.62/bbl (1H 2025: $5.67/bbl). Production was lower than sales volumes for both 1H 2026 and 1H 2025 at 4,583 boepd and 4,183 boepd respectively, and this has led to an inventory reduction of $3.6m (1H 2025: $5.0m reduction) for the Vietnam producing fields, which is reflected in cost of sales. Premiums for 2H 2026 TGT cargoes have been agreed as follows: $14.75/bbl in July 2026, $9.00/bbl in August 2026, $13.53/bbl in September 2026 and $11.75/bbl in October 2026. For CNV, the September 2026 cargo achieved a premium of $13.78/bbl.

The revenue for Egypt of $7.9m (1H 2025: $9.4m) decreased by 16%, with no gross-up (1H 2025: $1.1m) for corporate income taxes to be paid by EGPC on behalf of Pharos El Fayum. The average realised crude oil price, after discounts, was $86.36/bbl (1H 2025: $65.85/bbl), an increase of 31%. There are two discounts applied to the Egypt crude production – a general Western Desert discount and one related specifically to El Fayum. Both are set by EGPC (the in-country regulator) and combined were $6.65/bbl for the first half of the year (1H 2025: $6.09/bbl). Production from Egypt was lower at 1,067 bopd (1H 2025: 1,459 bopd).

Hedging

For 2026, the Group entered into a mix of zero cost collar, fixed price swaps and put options hedges, to protect the Brent component of forecast oil sales and to provide downside protection to cash flows in the event of commodity prices falling. The commodity hedges run until first half 2027 and are settled monthly. Our hedging positions for the period resulted in a realised loss of $3.7m (1H 2025: no realised hedge gains or loss). Additionally, the fair value as at 30 June 2026 was an unrealised gain of $2.7m for the remaining hedges in place (June 2025: $0.1m).

For 2H 2026, 58% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices for the hedged volumes at $60.7/bbl and $81.5/bbl, respectively, and includes swap hedges at an average fixed price of $88.4/bbl. Due to the timing of execution, the average swap strike is higher than the zero cost collar ceiling price, as swaps were entered into following the significant Brent price increase, while zero cost collars were executed earlier at lower market prices.

For 1H 2027, 20% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices for the hedged volumes at $67.3/bbl and $85.1/bbl, respectively, and includes swap hedges at an average fixed price of $79.0/bbl.

Operating costs

Group cash operating costs, defined in the Non-IFRS measures section on page 30, were $18.8m (1H 2025: $17.4m). Vietnam increased by 8% from $12.6m to $13.6m in 1H 2026. The increase is partly due to costs relating to the FPSO as a result of lower 3rd party production throughput from the Thang Long JOC, which increased the HLJOC's share of the costs (TLJOC had 23.5% cost share in 1H 2026 compared to 28.1% in 1H 2025). Cash operating costs in Egypt increased by 8% from $4.8m to $5.2m in 1H 2026. The increase was mainly driven by a higher proportion of cost allocation, with the reduced capital drilling programme pushing more fixed costs to operations, partially offset by lower well workover costs.

Cash operating costs per barrel	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million
Cost of sales [1]	56.6	48.9
(Less)/add:		
Depreciation, depletion and amortisation	(27.3)	(21.8)
Production based taxes	(5.6)	(3.9)
Change in inventories	(3.5)	(5.0)
Trade receivables expected credit loss	0.1	0.1
Other cost of sales	(1.5)	(0.9)
Cash operating costs	18.8	17.4
Production (BOEPD)	5,650	5,642
Cash operating cost per BOE ($)	18.38	17.04

[1] Includes impairment reversal of financial asset

DD&A

Group DD&A associated with the producing assets increased to $27.3m (1H 2025: $21.8m). DD&A charges from Vietnam increased 31% to $25.1m (1H 2025: $19.1m) and this was driven by a 10% increase in production and a reduction in 2P reserves, partially offset by the impact of lower book values of TGT and CNV assets following the impairment reversals recorded in December 2024 that contributed to a higher book value of assets during 1H 2025. The combination of these factors meant that DD&A per barrel for Vietnam increased 20% to $30.26/boe (1H 2025: $25.23/boe). DD&A charges from Egypt were 19% lower at $2.2m (1H 2025: $2.7m), driven by the 27% fall in production. DD&A per barrel for Egypt is $11.39/boe (1H 2025: $10.22/boe).

Administrative expenses

Administrative expenses in 1H 2026 were $5.3m (1H 2025: $4.1m). After adjusting for non-cash IFRS2 Share Based Payments and associated national insurance costs of $1.6m (1H 2025: $0.3m), the underlying administrative expenses were $3.7m (1H 2025: $3.8m).

Other operating expenses

Other operating expenses were $2.5m (1H 2025: $0.2m). In 2026, other operating expenses consisted of legal and professional fees in relation to the Pharos takeover offer.

Financing costs

Finance costs for the period were marginally higher at $1.3m (1H 2025: $1.2m). The unwinding of discount on Vietnam decommissioning provisions for 1H 2026 was $1.1m (1H 2025: $1.2m) and there was also interest expense and similar fees of $0.2m (1H 2025: $nil).

Taxation

The overall net tax charge of $16.6m (1H 2025: $13.3m) relates to tax charges in Vietnam of $16.6m (1H 2025: Vietnam tax charges of $12.2m and Egypt tax charges of $1.1m).

The Group's effective tax rate approximates the statutory tax rate in Vietnam of 50%, after adjusting for non-deductible expenditure and tax losses not recognised.

The Egypt concessions are subject to corporate income tax at the standard rate of 40.55%, however responsibility for payment of corporate income taxes falls upon EGPC on behalf of PEF and the other contractor parties. The Group records a tax charge, with a corresponding increase in revenue, for the tax paid by EGPC on its behalf. As the historic tax loss position since first production had reversed in full during 2024, this led to a $1.1m tax charge being recorded in 1H 2025. No tax charge has arisen in 1H 2026 as the El Fayum concession has generated tax losses.

One of the Group's companies entered into a mix of commodity zero cost collars, fixed price swaps and put options designated as cash flow hedges. In accordance with IAS 12, a deferred tax asset has not been recognised in relation to historic hedging losses as it is unlikely that the UK tax group will generate sufficient taxable profit in the future, against which the deductible temporary differences can be utilised.

Loss post-tax

The post-tax loss for 1H 2026 of $0.4m (1H 2025: $2.8m) was $2.4m lower, driven by a combination of higher commodity prices and higher sales volumes in Vietnam.

Cash flow

Operating cash flow (before movements in working capital, interest received and taxes paid) was $45.8m (1H 2025: $33.5m). After tax charges of $15.6m (1H 2025: $15.9m), working capital inflow of $4.5m (1H 2025: $1.6m outflow) and net interest received of $0.2m (1H 2025: $0.1m), the cash generated from operations was $34.9m (1H 2025: $16.1m). This highlights the continuing strong operating performance from the producing fields in Vietnam and Egypt and the 29% increase in Group realised oil price.

Cash generated from operations, after tax charges, exceptional expenses and working capital movements, is the basis of our dividend framework.

There was an increase in receivables of $5.4m for the period (1H 2025: $5.0m). Vietnam trade and other receivables increased by $10.6m (1H 2025: $1.6m), primarily linked to the timing and higher Brent price of liftings (3 cargoes in June 2026 compared to 2 cargoes in December 2025). Egypt trade and other receivables decreased by $5.5m (1H 2025: $2.9m increase) following increased recovery from EGPC during the first half of 2026. Inventory decreased by $3.5m (1H 2025: $5.0m) and this was driven by Vietnam operations and the timing of liftings from TGT. Vietnam revenue volumes overall were up 7% in 1H 2026 compared to production volumes and this led to a reduction in inventory, partially offset by the impact of higher Brent price. An increase in trade and other payables generated a cash inflow of $6.7m for the period (1H 2025: $1.6m outflow) and $4.0m of the movement was due to Vietnam (1H 2025: $3.9m outflow), driven by an increase in JOC opex and capex payables associated with the drilling programme, plus higher royalties payable on the outstanding cargoes. A further $3.0m inflow (1H 2025: $0.1m outflow) was due to Corporate accruals and payables in relation to legal and professional fees associated with the takeover offers, and the June 2026 realised hedging liability.

Net cash used in investing activities was an outflow of $28.1m (1H 2025: $7.5m), $27.5m of which related to the purchase of property, plant and equipment, inclusive of payments to the Vietnam abandonment security funds (1H 2025: $5.2m). During 1H 2026, Vietnam capital expenditure on PP&E was $25.3m (1H 2025: $3.4m) and included the completion of two infill wells, plus the finalisation of drilling on the TGT appraisal well, 18X, in February 2026. The new CNV appraisal well 5X commenced drilling in March 2026 and this subsequently completed at the end of July 2026.

Balance Sheet

Impairments and Impairment Reversals

We have evaluated each of our oil and gas producing properties for impairment or impairment reversal triggers. For each producing property where triggers are identified, the recoverable amount held on the books would be determined using the value in use method and is calculated using a discounted cash flow valuation of the 2P production profile.

The average Brent price forecast as at June 2026 increased by 26% for 2H 2026 and 15% in 2027, driven by escalating geopolitical tensions in the Middle East, before falling back to 3% higher in the longer-term compared to forecast at the end of 2025. This does not indicate a significant change to the underlying value of oil and gas assets. Furthermore, there were no significant changes to macroeconomic factors such as risk-free rate, equity market risk premium and country risk premiums. While the immediate oil market outlook remains highly volatile, the expectation from analysts is that global oil markets will remain adequately supplied over the medium term. Forecast production volumes for Vietnam remain consistent with guidance, with four new infill wells contributing to production along with the TGT appraisal well 18X. A further appraisal well, CNV-5X, completed on 30 July 2026 and is being evaluated. For Egypt assets, although there were delays in the execution of the El Fayum development plan, the six-well drilling programme has commenced and is scheduled to complete by the end of the year.

As a result, after examining both internal and external indicators of impairment, including the impact of the recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos, the Group determined that no impairment charges or impairment reversals were required on any of the Group's oil and gas producing properties as at 30 June 2026.

As at 30 June 2026, the carrying amount of the TGT oil and gas producing property, after additions of $10.0m, decrease in decommissioning asset of $1.0m and DD&A of $19.5m, is $123.0m (Dec 2025: $133.5m). As at 30 June 2026, the carrying amount of the CNV oil and gas producing property, after additions of $15.8m, increase in decommissioning asset of $0.3m and DD&A of $5.5m, is $68.2m (Dec 2025: $57.6m).

As at 30 June 2026, the carrying amount of the El Fayum oil and gas producing property, after additions of $2.2m and DD&A of $2.1m, is $58.1m (Dec 2025: $58.0m). As at 30 June 2026, the carrying amount of the NBS oil and gas producing property, after DD&A of $0.1m, is $0.9m (Dec 2025: $1.0m).

Dividends

An interim dividend of 0.3993 pence per share in respect of the year ended 31 December 2025, $2.2m equivalent, was paid on 21 January 2026 to shareholders on the Company's register as at 19 December 2025.

A final dividend of 0.9317 pence per share in respect of the year ended 31 December 2025, $5.2m equivalent, was approved by the shareholders at the Company's AGM in May 2026 and subsequently paid on 17 July 2026 to shareholders on the register at the close of business on 12 June 2026. This took the 2025 full year dividend to 1.331 pence per share.

In light of the Acquisition of the company by Ratio Petroleum Energy LP, the Board has not declared an interim dividend in respect of the year ended 31 December 2026, but has stated its intention to declare a 4.0 pence dividend with record and payment dates aligned with the respective record and payment dates under the Scheme.

Liquidity risk management and going concern

Pharos continuously monitors its business activities, financial position, cash flows and liquidity through detailed forecasts. Scenarios and sensitivities are also regularly presented to the Board, including changes in commodity prices and in production levels from the existing assets, plus other factors that could affect the Group's future performance and position.

A base case forecast has been considered for the going concern assessment that utilises an average oil price of $83.5/bbl for 2H 2026 and $76.0/bbl for full year 2027. The key assumptions and related sensitivities include a "Reasonable Worst Case" (RWC) scenario, where the Board has taken into account the risk of reduction in oil prices by 10% to $68.4/bbl from January 2027 for the next twelve months, thereafter stepping up to base price. This is concurrent with 5% reduction in Vietnam production from September 2026 throughout the testing period. Both the base case and RWC take into account the effect of hedging that has already been put in place at 30 June 2026 and subsequent hedges placed in Q3 2026, now covering c. 58% of the Group's total oil entitlement production for 2H 2026, securing average floor and ceiling prices of $60.7/bbl and $81.5/bbl respectively. For 1H 2027, c. 20% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices of $67.3/bbl and $85.1/bbl respectively. Under the RWC scenario, we have identified appropriate mitigating actions, including reduction in head office administrative expenses and spending on the 2027 capital programme in Egypt.

A reverse stress test has been performed to test for a further decline in oil price, including mitigating actions, to determine at what levels oil price would need to reach such that liquidity headroom runs out. The likelihood of Brent price dropping to such levels is considered to be remote. Following the announcement on 24 June 2026 of the recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos, management have considered the Acquisition as part of the going concern assessment (including the directors' intention to declare a 4.0 pence dividend with record and payment dates aligned with the respective record and payment dates under the Scheme), which is prepared based on the group's existing operations.

Forecasts show that the Group will have sufficient financial headroom for the period of 12 months from the date of approval of these half-year results. Based on this analysis, the Directors have a reasonable expectation that the Group has adequate resources to continue its operations in the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing these half year results.

Sue Rivett

Chief Financial Officer

Corporate Review

Recommended offers for the Company

On 24 June 2026, the board of directors of each of Ratio and Pharos announced that they had reached agreement on the terms of a recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos. The scheme document in respect of the Acquisition was published and made available to Pharos shareholders on 21 July 2026.

On 7 August 2026, the board of directors of each of Ratio and Pharos announced that they had agreed the terms of an increased recommended all-cash offer by Ratio for the entire issued and to be issued share capital of Pharos (the "Increased Ratio Offer") to be effected by the Scheme. The Increased Ratio Offer followed the earlier announcement of a competing offer for Pharos by Serica Energy plc on 26 July 2026, which subsequently lapsed on 13 August 2026.

On 28 August 2026, Pharos shareholders voted at the Court Meeting and General Meeting to approve the Scheme and its implementation. The indicative timetable of the key milestones outstanding under the Scheme remains as set out in the announcement made by Pharos on 13 August 2026 and a further announcement on timetable will be made in due course. Subject to the remaining conditions being satisfied or waived, Pharos expects the Scheme to become effective in 1H 2027.

Environmental, Social, and Governance (ESG)

Pharos continues to prioritise sustainability in everything we do. We recognise the importance of environmental stewardship, social responsibility, and corporate governance in the energy industry, and continue to demonstrate our commitment to our Net Zero by 2050 target by managing our emissions across the portfolio.

In 1H 2026, the Group's Scope 1 and 2 emissions increased by 7% compared to the same period last year. This is due to an increase in operational activities as we advanced two ongoing multi-rig drilling campaigns in both Vietnam and Egypt. Nevertheless, Pharos have continued to optimise energy efficiency and flare reductions in Vietnam, and continued deployment of our diesel replacement gas generators in Egypt to stabilise our emission levels.

We are proud of our social initiatives which have been an important part of Pharos since its inception. For 1H 2026, the Company invested in 10 social and community projects, ranging from providing educational support for children from low-income communities in Egypt to supporting charity organisations preventing human trafficking in Vietnam. Pharos will continue to work closely with our local partners and joint ventures to ensure our social initiatives bring positive, sustainable impacts to host countries and the local communities.

On corporate governance, the Board maintains a strong commitment to high standards of governance through regular, collaborative, and constructive dialogues with our shareholders. We are grateful for their continued trust and support.

Principal and emerging risks and uncertainties for the second half of 2026

The Board continues to fulfil its role in risk oversight by developing policies and procedures around risks that are consistent with the organisation's strategy and risk appetite.

Pharos carried out an assessment of its principal and emerging risks at half year 2026. There has been no change in the principal and emerging risk from those disclosed in the Group's 2025 Annual Report and Accounts. The key principal and emerging risks are:

- Growth throughout the business
- HSE & Social
- Political and regional instability, including conflicts and ensuing sanctions
- Rising operational costs
- Climate change
- Commodity price volatility
- Partners' alignment
- Sub-optimal capital allocation
- Cyber security
- Reserves downgrades
- Egyptian economy
- Code of Business and Bribery

23 September 2026
2026 Interim Results

Responsibility Statement

The Directors confirm that, to the best of their knowledge:

1. The interim condensed consolidated set of financial statements immediately following this report has been prepared in accordance with United Kingdom adopted International Accounting Standard IAS 34 'Interim Financial Reporting' and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and

2. The interim report includes a fair review of the information required by:

   - DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

   - DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board:

Katherine Roe	**Sue Rivett**
Chief Executive Officer	Chief Financial Officer
22 September 2026	22 September 2026

PHAROS ENERGY

INDEPENDENT REVIEW REPORT TO PHAROS ENERGY PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 which comprises the interim condensed consolidated income statement, interim condensed consolidated statement of other comprehensive income, the interim condensed consolidated balance sheets, interim condensed consolidated statements of changes in equity, interim condensed consolidated cash flow statements and the related explanatory notes 1-14. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Material uncertainty related to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, we draw attention to note 2 in the condensed set of financial statements, which indicates that the continuation of Pharos Energy plc as a standalone company in the event of a change of control is outside the control of the Group.

As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

The responsibilities of the directors with respect to going concern are described in the relevant section of this report.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern (including the material uncertainty set out in note 2) and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including the Material uncertainty related to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
22 September 2026

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	(unaudited) Six months ended 30 Jun 2026 $ million	(unaudited) Six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Revenue	3, 13	81.8	65.6	114.6
Cost of sales	4	(56.7)	(49.0)	(97.7)
Impairment reversal – Financial asset	4	0.1	0.1	1.3
Gross profit		25.2	16.7	18.2
Administrative expenses		(5.3)	(4.1)	(8.8)
Other operating costs	5	(2.5)	(0.2)	(0.3)
Pre-licence costs	3	-	(0.2)	(0.4)
Operating profit		17.4	12.2	8.7
Other expenses	5	(0.3)	-	-
Loss on fair value movement of financial asset	3	-	(0.7)	(0.5)
Investment revenue		0.4	0.2	0.5
Finance costs	6	(1.3)	(1.2)	(2.2)
Profit for the period before tax	3	16.2	10.5	6.5
Income tax charge	7	(16.6)	(13.3)	(13.1)
Loss for the period		(0.4)	(2.8)	(6.6)
Loss per share (cents)	8			
Basic		(0.1)	(0.7)	(1.6)
Diluted		(0.1)	(0.7)	(1.6)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Notes	(unaudited) Six months ended 30 Jun 2026 $ million	(unaudited) Six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Loss for the period		(0.4)	(2.8)	(6.6)
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods (net of tax):				
Fair value loss arising on hedging instruments during the period	13	(0.8)	-	(0.3)
Less: Loss arising on hedging instruments reclassified to profit or loss		3.7	0.1	-
Net currency exchange translation differences		0.1	0.1	-
Total comprehensive income/(loss) for the period (net of tax)		2.6	(2.6)	(6.9)

The above interim condensed consolidated income statement and interim condensed consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

PHAROS ENERGY

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

	Notes	(unaudited) 30 Jun 26 $ million	31 Dec 25 $ million
Non-current assets			
Intangible assets	9	28.2	26.5
Property, plant and equipment	10	250.6	250.4
Right of use asset	10	-	-
Other assets		60.4	59.9
		339.2	336.8
Current assets			
Inventories		2.6	6.1
Trade and other receivables		22.7	19.4
Derivative financial instruments	13	2.7	-
Tax receivables		0.7	0.5
Cash and cash equivalents		45.4	40.2
		74.1	66.2
Total assets		413.3	403.0
Current liabilities			
Trade and other payables		(26.5)	(14.4)
Derivative financial instruments	13	-	(0.1)
Lease Liabilities		-	-
Tax payables		(7.1)	(1.6)
		(33.6)	(16.1)
Net current assets		40.5	50.1
Non-current liabilities			
Deferred tax liabilities		(42.0)	(46.5)
Long term provisions		(56.9)	(56.5)
		(98.9)	(103.0)
Total liabilities		(132.5)	(119.1)
Net assets		280.8	283.9
Equity			
Share capital		32.4	32.4
Share premium		58.0	58.0
Other reserves		303.8	299.4
Retained deficit		(113.4)	(105.9)
Total equity		280.8	283.9

The above interim condensed consolidated balance sheets should be read in conjunction with the accompanying notes.

PHAROS ENERGY

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Called up share capital	Share Premium	Other reserves	Retained (deficit)/ earnings	Total
	$ million	$ million	$ million	$ million	$ million
As at 1 January 2025	33.1	58.0	258.1[1]	(53.5)	295.7
Loss for the period	-	-	-	(2.8)	(2.8)
Other comprehensive income	-	-	0.2	-	0.2
Share buy back [2]	(0.1)	-	0.1	(0.3)	(0.3)
Distributions to shareholders	-	-	-	(1.8)	(1.8)
Share-based payments	-	-	0.8	-	0.8
Transfer relating to share-based payments	-	-	(0.1)	0.1	-
As at 30 June 2025 (unaudited)	**33.0**	**58.0**	**259.1[1]**	**(58.3)**	**291.8**
Loss for the period	-	-	-	(3.8)	(3.8)
Other comprehensive loss	-	-	(0.5)	-	(0.5)
Treasury shares cancelled	(0.6)	-	39.7	(39.1)	-
Distributions to shareholders	-	-	-	(4.7)	(4.7)
Share-based payments	-	-	1.0	-	1.0
Transfer relating to share-based payments	-	-	0.1	-	0.1
As at 1 January 2026	**32.4**	**58.0**	**299.4[1]**	**(105.9)**	**283.9**
Loss for the period	-	-	-	(0.4)	(0.4)
Other comprehensive income	-	-	3.0	-	3.0
Distributions to shareholders	-	-	-	(7.4)	(7.4)
Share-based payments	-	-	1.7	-	1.7
Transfer relating to share-based payments	-	-	(0.3)	0.3	-
As at 30 June 2026 (unaudited)	**32.4**	**58.0**	**303.8[1]**	**(113.4)**	**280.8**

[1] Includes a Merger reserve of $137.1m which is distributable in accordance with the Companies Act 2026.

[2] During 1H 2025, the Company repurchased 905,087 shares at an average price of 26.46 pence per share.

The above interim condensed consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Notes	(unaudited) Six months ended 30 Jun 2026 $ million	(unaudited) Six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Net cash from operating activities	12	**34.9**	16.1	55.6
Investing activities				
Purchase of intangible assets		**(1.7)**	(3.0)	(7.6)
Purchase of property, plant and equipment		**(27.0)**	(3.3)	(16.1)
Contingent consideration received in relation to farm out of Egyptian assets		**1.5**	0.7	2.9
Assignment fee in relation to farm out of Egyptian assets		**(0.4)**	-	-
Payment to abandonment fund		**(0.5)**	(1.9)	(3.9)
Net cash used in investing activities		**(28.1)**	(7.5)	(24.7)
Financing activities				
Lease payments		**-**	(0.2)	(0.2)
Share buy back		**-**	(0.3)	(0.3)
Dividends paid to shareholders		**(2.2)**	(1.8)	(6.5)
Net cash used in financing activities		**(2.2)**	(2.3)	(7.0)
Net increase in cash and cash equivalents		**4.6**	6.3	23.9
Cash and cash equivalents at beginning of period		**40.2**	16.5	16.5
Effect of foreign exchange rate changes		**0.6**	(0.2)	(0.2)
Cash and cash equivalents at end of period		**45.4**	22.6	40.2

The above interim condensed consolidated cash flow statements should be read in conjunction with the accompanying notes.

PHAROS ENERGY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The Interim condensed financial statements for the six-month period ended 30 June 2026 have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting as adopted by the UK and the requirements of the Disclosure and Transparency Rules ("DTR") of the Financial Conduct Authority (FCA) in the United Kingdom as applicable to interim financial reporting.

The interim condensed financial statements represent a 'condensed set of financial statements' as referred to in the DTR issued by the FCA. Accordingly, they do not include all the information required for a full annual financial report and are to be read in conjunction with the Group's financial statements for the year ended 31 December 2025, which were prepared in accordance with UK-adopted International Accounting Standards ("IFRSs") in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB) and endorsed by the UK Endorsement Board (UKEB). The interim condensed financial statements are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the year ended 31 December 2025 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. This information was derived from the statutory accounts for the year ended 31 December 2025, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

The half-year financial report for the six months ended 30 June 2026 was approved by the Directors on 22 September 2026.

2. Accounting policies

The annual financial statements of Pharos Energy plc will be prepared in accordance with UK-adopted IFRSs. The interim condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the UK and the Disclosure Guidance and Transparency Rules of the United Kingdom's FCA DTR. The accounting policies adopted in the June 2026 interim condensed set of financial statements are the same as those adopted in the Group's Annual Report and Accounts as at 31 December 2025.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by Pharos during the interim reporting period.

Going concern

The Group continuously monitors its business activities, financial position, cash flows and liquidity through detailed forecasts. Scenarios and sensitivities are also regularly presented to the Board, including changes in commodity prices and in production levels from the existing assets, plus other factors that could affect the Group's future performance and position. These events include:

- A reduction in the oil price putting pressure on the Group's capital available for investment
- A reduction in production
- An unfavourable event resulting in a combination of lost production and oil price reduction

A base case forecast has been considered for the going concern assessment that utilises an average oil price of $83.5/bbl for 2H 2026 and $76.0/bbl for full year 2027. The key assumptions and related sensitivities include a "Reasonable Worst Case" (RWC) scenario, where the Board has taken into account the risk of reduction in oil prices by 10% to $68.4/bbl from January 2027 for the next twelve months, thereafter stepping up to base price. This is concurrent with 5% reduction in Vietnam production from September 2026 throughout the testing period. Both the base case and RWC take into account the effect of hedging that has already been put in place at 30 June 2026 and subsequent hedges placed in Q3 2026, now covering c. 58% of the Group's total oil entitlement production for 2H 2026, securing average floor and ceiling prices of $60.7/bbl and $81.5/bbl respectively. For 1H 2027, c. 20% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices of $67.3/bbl and $85.1/bbl respectively. Under the RWC scenario, we have identified appropriate mitigating actions, including reduction in head office administrative expenses and spending on the 2027 capital programme in Egypt.

A reverse stress test has been performed to test for a further decline in oil price, including mitigating actions, to determine at what levels oil price would need to reach such that liquidity headroom runs out. The likelihood of Brent price dropping to such levels is considered to be remote.

Potential change of control

The Directors note that shareholders have approved the acquisition of 100% of the shares of Pharos by Ratio Petroleum Energy LP ("Ratio"), which, if completed, would result in a change of control of the Group. The transaction is expected to complete in 1H 2027, subject to the required court and regulatory approvals in Vietnam and Egypt. Ratio has stated its intention to continue operating the Group's asset portfolio and to support the business through the financial resources, technical capabilities and industry relationships of the wider Ratio group. However, there can be no guarantee as to Ratio's actions post change of control. The Directors note that Pharos currently has no financial debt and that the offer documentation indicates that Ratio has sufficient financing available to satisfy the acquisition consideration.

Ratio has disclosed its intention to integrate Pharos' operations with those of the wider Ratio group, relocate the Group's UK headquarters to Tel Aviv, delist Pharos from the London Stock Exchange, and re-register the company as a private company. Accordingly, the Directors believe there is a material uncertainty regarding the continued existence of Pharos Energy plc as a standalone company, because Ratio's intentions for the corporate structure will not become clear until after the change of control has become unconditional.

Conclusion

The Directors have concluded that the continuation of Pharos Energy plc as a standalone company in the event of a change of control is outside the control of the Group. This is therefore a material uncertainty that may cast significant doubt over the Company's ability to operate as a going concern. However, based on forecasts the Group and Company will have sufficient financial headroom for the period of 12 months from the date of approval of these half-year results. Based on this analysis, the Directors have a reasonable expectation that the Group has adequate resources to continue its operations in the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing these half year results. The half year results do not include the adjustments that would result if the Group were not considered to be a going concern.

New and amended standards adopted by the Group

Amendments that apply for the first time in 2026, but do not have an impact on the interim condensed consolidated financial statements of the Group are:

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7. The Amendments include:
  - Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
  - Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
  - Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
  - The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)
- Annual Improvements to IFRS Accounting Standards—Volume 11.
  The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

Critical judgements and accounting estimates

The preparation of condensed consolidated financial statements requires management to make judgements, estimates and assumptions which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

(a) Critical judgement in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made judgements that may have a significant effect on the amounts recognised in the financial statements. These were applied for oil and gas assets.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year continue to be: (i) oil & gas reserves, including the impact on DD&A; and (ii) impairment of producing oil & gas assets.

3. Segment information

The Group has one principal business activity being oil and gas exploration and production. The Group's continuing operations are located in South East Asia (SE Asia) and Egypt and these areas form the basis on which the Group reports its segment information (the Group's operating segments). There are no inter-segment sales.

Six months ended 30 June 2026 (unaudited)	SE Asia $ million	Egypt $ million	Unallocated[1] $ million	Group $ million
Oil and gas sales	77.6	7.9	-	85.5
Realised loss on commodity hedges (see Note 13)	-	-	(3.7)	(3.7)
Total revenue	77.6	7.9	(3.7)	81.8
Cost of sales	(49.0)	(7.7)	-	(56.7)
Impairment reversal – Financial asset	-	0.1	-	0.1
Administrative expenses	-	-	(5.3)	(5.3)
Depreciation, depletion and amortisation – oil and gas	(25.1)	(2.2)	-	(27.3)
Other operating costs	-	-	(2.5)	(2.5)
Profit/(loss) before tax	27.6	0.2	(11.6)	16.2
Tax charge on operations (see Note 7)	(16.6)	-	-	(16.6)
Non-current assets[3]	219.4	59.2	0.2	278.8

Six months ended 30 June 2025 (unaudited)	SE Asia $ million	Egypt $ million	Unallocated[1] $ million	Group $ million
Oil and gas sales	56.2	9.4	-	65.6
Realised loss on commodity hedges (see Note 13)	-	-	-	-
Total revenue	56.2	9.4	-	65.6
Cost of sales	(41.1)	(7.9)	-	(49.0)
Impairment reversal – Financial asset	-	0.1	-	0.1
Administrative expenses	-	-	(4.1)	(4.1)
Depreciation, depletion and amortisation – oil and gas	(19.1)	(2.7)	-	(21.8)
Depreciation, depletion and amortisation – other	-	(0.1)	-	(0.1)
Other operating costs	-	-	(0.2)	(0.2)
Pre-licence costs	-	(0.2)	-	(0.2)
Loss on fair value movement of financial asset[2]	-	(0.7)	-	(0.7)
Profit/(loss) before tax	13.8	0.9	(4.2)	10.5
Tax charge on operations (see Note 7)	(12.2)	(1.1)	-	(13.3)
Non-current assets[3]	221.0	60.5	-	281.5

Year end 31 December 2025	SE Asia $ million	Egypt $ million	Unallocated[1] $ million	Group $ million
Oil and gas sales	99.8	14.8	-	114.6
Realised loss on commodity hedges	-	-	-	-
Total revenue	99.8	14.8	-	114.6
Cost of sales	(81.0)	(16.7)	-	(97.7)
Impairment reversal – Financial asset	-	1.3	-	1.3
Administrative expenses	-	-	(8.8)	(8.8)
Depreciation, depletion and amortisation – oil and gas	(41.4)	(5.0)	-	(46.4)
Depreciation, depletion and amortisation – other	-	(0.2)	-	(0.2)
Other operating costs	-	-	(0.3)	(0.3)
Pre-licence costs	-	-	(0.4)	(0.4)
Loss on fair value movement of financial asset[2]	-	(0.5)	-	(0.5)
Profit/(loss) before tax	16.5	(1.3)	(8.7)	6.5
Tax charge on operations (see Note 7)	(12.7)	(0.4)	-	(13.1)
Non-current assets[3]	217.6	59.1	0.2	276.9

[1] Unallocated amounts included in profit/(loss) before tax comprise corporate costs not attributable to an operating segment, investment and hedging revenue, other gains and losses and finance costs.
[2] Relates to the revision of contingent consideration due from the farm out of the Egyptian concessions with IPR, partially offset by the movement in contingent liability (assignment fee) owed to EGPC.
[3] Excludes Other assets.

4. Cost of sales

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Depreciation, depletion and amortisation	**27.3**	21.8	46.4
Production operating costs	**20.3**	18.3	40.8
Production based taxes	**5.6**	3.9	7.3
Change in inventories	**3.5**	5.0	3.2
	56.7	49.0	97.7
Impairment reversal – financial asset	**(0.1)**	(0.1)	(1.3)
	56.6	48.9	96.4

5. Other operating costs and Other expenses

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Other operating costs			
Other	**2.5**	0.2	0.3
	2.5	0.2	0.3

In 2026, other operating costs consisted of legal and professional fees in relation to the recommended acquisition offers, of the entire issued share capital of Pharos Energy Plc, by Ratio Petroleum Energy LP and Serica Energy Plc.

Other expenses			
Other	**0.3**	-	-
	0.3	-	-

Agreement was reached with IPR on certain legacy issues relating to the farm-out of the Group's Egyptian assets, a transaction that completed on 21 March 2022. The adjustment of $0.3m to the final value of the carry consideration under the Farm-out Agreements was reflected in the June 2026 El Fayum JOA cash call and charged to the income statement.

6. Finance Costs

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Unwinding of discount on provisions [1]	**1.1**	1.2	2.3
Interest expense payable and similar fees	**0.2**	-	-
Net foreign exchange losses	**-**	-	(0.1)
	1.3	1.2	2.2

[1] For 1H 2026, $1.1m relates to the unwinding of discount on the provisions for decommissioning (1H 2025: $1.2m). The provisions are based on the net present value of the Group's share of the expenditure which will be incurred at the end of the life of TGT and CNV (currently estimated to be 6-7 years) in the removal and decommissioning of the facilities currently in place.

7. Income tax charge

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Current tax			
Corporation tax	**21.2**	16.5	29.4
Adjustments to tax charge in respect of previous periods	**(0.1)**	-	(0.2)
	21.1	16.5	29.2
Deferred tax			
Deferred tax credit on operations	**(4.5)**	(3.2)	(16.1)
Total tax charge	**16.6**	13.3	13.1

The Group's corporation tax is calculated at 50% (1H 2025: 50%) of the estimated assessable profit for the year in Vietnam. In Egypt, under the terms of the concession any local taxes arising are settled by EGPC on behalf of the Group. During each period, both current and deferred taxation have arisen in overseas jurisdictions only.

The charge for the period can be reconciled to the profit per the income statement as follows:

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Profit before tax	**16.2**	10.5	6.5
Tax at 50% (2025: 50%)	**8.1**	5.3	3.3
Effects of:			
Non-taxable income	**(0.1)**	-	-
Non-deductible expenses	**4.7**	6.3	6.5
Egypt taxation at a different rate to Vietnam effective tax rate	**-**	(0.1)	(0.1)
Tax losses not recognised	**4.0**	1.8	3.6
Adjustments to current tax in respect of previous periods	**(0.1)**	-	(0.2)
Tax charge for the period	**16.6**	13.3	13.1

The prevailing tax rate in Vietnam, where the Group produces oil and gas, is 50% (1H 2025: 50%). The tax charge in future periods may also be affected by the factors in the reconciliation above.

Non-deductible expenses primarily relate to Vietnam DD&A charges for costs previously capitalised, which are non-deductible for Vietnamese tax purposes of $2.9m (1H 2025: $5.3m; Dec 2025: $4.5m). A further $1.8m (1H 2025: $0.3m; Dec 2025: $0.8m) relates to non-deductible corporate costs including share scheme incentives and, additionally for 2026, legal and professional fees associated with the recommended acquisition of the company by Ratio Petroleum Energy LP. 1H 2025 also includes $0.7m of non-deductible expenses for Egypt operations (Dec 2025: $1.2m).

The Egypt concessions are subject to corporate income tax at the standard rate of 40.55%, however responsibility for payment of corporate income taxes falls upon EGPC on behalf of PEF. The Group records a tax charge, with a corresponding increase in revenue, for the tax paid by EGPC on its behalf. As PEF became profitable during 2024, reversing the historic tax loss position since first production, this resulted in a $1.1m tax charge being recorded in 1H 2025 (Dec 2025: $0.4m). For 1H 2026, the Egypt concessions generated tax losses and there was no tax payable by EGPC on behalf of PEF. The effect from tax losses not recognised in 1H 2026 and 2025 relates to costs, primarily of the Company, deductible for tax in the UK but not expected to be utilised in the foreseeable future.

8. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Loss for the purposes of basic earnings per share	**(0.4)**	(2.8)	(6.6)
Effect of dilutive potential ordinary shares – Cash settled share awards and options	**-**	-	-
Loss for the purposes of diluted earnings per share	**(0.4)**	(2.8)	(6.6)

	(unaudited) six months ended 30 Jun 2026 Million	(unaudited) six months ended 30 Jun 2025 million	Year ended 31 Dec 2025 million
Weighted average number of ordinary shares	**414.1**	412.3	413.1
Effect of dilutive potential ordinary shares – Share awards and options	**-**	-	-
Weighted average number of ordinary shares for the purpose of diluted loss per share	**414.1**	412.3	413.1

In accordance with IAS 33 “Earnings per Share”, the effects of 2.0m antidilutive potential shares have not been included when calculating dilutive earnings per share for the period ended 30 June 2026, as the Group was loss making.

9. Intangible assets

Intangible assets comprise the Group’s exploration and evaluation projects which are pending determination. Included in the 1H 2026 additions are Blocks 125 & 126 in Vietnam of $1.7m, including $0.3m of long-lead items ahead of drilling the first commitment well.

In June 2026, having reviewed the triggers for impairment or impairment reversal, Management are of the view that none of the impairment indicators under IFRS 6 have been triggered and therefore no impairment testing is required for Vietnam.

The Company is continuing its discussions with potential farm in partners and rig contractors to complete all necessary work to drill the first exploration well on this basin-opening play. Whilst ongoing costs for exploration are therefore forecasted and funds are available for future exploration, there is insufficient certainty of full recovery to justify the reversal of the previous impairment charges in 2020. The accumulated impairment charges against Vietnam exploration and evaluation expenditure at 30 June 2026 therefore remains at $17.9m (Dec 2025: $17.9m).

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10. Property, plant and equipment

Jun 2026	Oil and gas properties $ million	Other $ million	Total $ million
Property, plant and equipment	250.2	0.4	250.6
Right of use asset	-	-	-
As at 30 Jun 2026	250.2	0.4	250.6

Dec 2025	Oil and gas properties $ million	Other $ million	Total $ million
Property, plant and equipment	250.1	0.3	250.4
Right of use asset	-	-	-
As at 31 Dec 2025	250.1	0.3	250.4

We have evaluated each of our oil and gas producing properties for impairment or impairment reversal triggers. For each producing property where triggers are identified, the recoverable amount held on the books would be determined using the value in use method and is calculated using a discounted cash flow valuation of the 2P production profile.

The average Brent price forecast as at Jun 2026 increased by 26% for 2H 2026 and 15% in 2027, driven by escalating geopolitical tensions in the Middle East, before falling back to 3% higher in the longer-term compared to forecasts at the end of 2025. This does not indicate a significant change to the underlying value of oil and gas assets. Furthermore, there were no significant changes to macroeconomic factors such as risk-free rate, equity market risk premium and country risk premiums. While the immediate oil market outlook remains highly volatile, the expectation from analysts is that global oil markets will remain adequately supplied over the medium term. Forecast production volumes for Vietnam remain consistent with guidance, with four new infill wells contributing to production along with the TGT appraisal well 18X. A further appraisal well, CNV-5X, completed on 30 July 2026 and is being evaluated. For Egypt assets, although there were delays in the execution of the El Fayum development plan, the six-well drilling programme has commenced and is scheduled to complete by the end of the year.

As a result, after examining both internal and external indicators of impairment, including the impact of the recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos, the Group determined that no impairment charges or impairment reversals were required on any of the Group's oil and gas producing properties as at 30 June 2026.

Vietnam

As at 30 June 2026, the carrying amount of the TGT oil and gas producing property, after additions of $10.0m, decrease in decommissioning asset of $1.0m and DD&A of $19.5m, is $123.0m (Dec 2025: $133.5m). As at 30 June 2026, the carrying amount of the CNV oil and gas producing property, after additions of $15.8m, increase in decommissioning asset of $0.3m and DD&A of $5.5m, is $68.2m (Dec 2025: $57.6m).

Egypt

As at 30 June 2026, the carrying amount of the El Fayum oil and gas producing property, after additions of $2.2m and DD&A of $2.1m, is $58.1m (Dec 2025: $58.0m). As at 30 June 2026, the carrying amount of the NBS oil and gas producing property, after DD&A of $0.1m, is $0.9m (Dec 2025: $1.0m).

Other

Other fixed assets comprise office fixtures and fittings and computer equipment of $0.4m (Jun 2025: $0.2m; Dec 2025: $0.3m).

11. Distribution to Shareholders

An interim dividend of 0.3993 pence per share in respect of the year ended 31 December 2025, $2.2m equivalent, was paid on 21 January 2026 to shareholders on the Company's register as at 19 December 2025.

A final dividend of 0.9317 pence per share in respect of the year ended 31 December 2025, $5.2m equivalent, was approved by the shareholders at the Company's AGM in May 2026 and subsequently paid on 17 July 2026 to shareholders on the register at the close of business on 12 June 2026. This took the 2025 full year dividend to 1.331 pence per share, an increase of 10% on the prior year.

12. Reconciliation of operating profit to operating cash flows

	(unaudited) six months ended 30 Jun 2026 $ million	(unaudited) six months ended 30 Jun 2025 $ million	Year ended 31 Dec 2025 $ million
Operating profit	**17.4**	12.2	8.7
Share-based payments	**1.1**	0.5	1.6
Depreciation, depletion and amortisation	**27.3**	21.9	46.6
Taxes paid-in-kind	**-**	(1.1)	(0.4)
Operating cash flows before movements in working capital	**45.8**	33.5	56.5
Decrease in inventories	**3.5**	5.0	3.2
(Increase)/decrease in receivables[1]	**(5.4)**	(5.0)	26.2
Increase/(decrease) in payables	**6.7**	(1.6)	(0.4)
Cash generated by operations	**50.6**	31.9	85.5
Interest received	**0.4**	0.1	0.5
Interest paid	**(0.2)**	-	(0.1)
Other expenses outflow	**(0.3)**	-	-
Income taxes paid	**(15.6)**	(15.9)	(30.3)
Net cash from operating activities	**34.9**	16.1	55.6

[1] Includes $0.1m decrease (1H 2025: $0.1m) in risk factor provision in respect of Egypt trade receivables.

In 1H 2026, a total of $0.4m (1H 2025: $0.3m) of trade receivables due from EGPC in Egypt were settled by way of non-cash offset due to the assignment bonus settled upon receipt of contingent consideration in relation to the IPR farm out. In 1H 2025, $0.3m related to training bonuses.

13. Hedge transactions

During 1H 2026, Pharos entered into a mix of zero cost collars, fixed-priced swaps and put options, to protect the Brent component of forecast oil sales and to provide downside protection to cash flows in the event of commodity prices falling. The commodity hedges run until June 2027 and are settled monthly.

Our hedging positions for the period resulted in a realised loss of $3.7m (1H 2025: no realised gain or loss). The outstanding unrealised gain on open positions at 30 June 2026 amounted to $2.7m (Dec 2025: unrealised loss of $0.2m).

For 2H 2026, 58% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices for the hedged volumes at $60.7/bbl and $81.5/bbl, respectively, and includes swap hedges at an average fixed price of $88.4/bbl. Due to the timing of execution, the average swap strike is higher than the zero cost collar ceiling price, as swaps were entered into following the significant Brent price increase, while zero cost collars were executed earlier at lower market prices.

For 1H 2027, 20% of the Group's total oil entitlement production has been hedged, securing average floor and ceiling prices for the hedged volumes at $67.3/bbl and $85.1/bbl, respectively, and includes swap hedges at an average fixed price of $79.0/bbl.

Pharos has designated the hedge instruments as cash flow hedges. This means that the effective portion of unrealised gains or losses on open positions will be reflected in other comprehensive income. Every month, the realised gain or loss will be reflected in the revenue line of the income statement.

The carrying amount of the zero cost collars are based on the fair value determined by a financial institution. As all material inputs are observable, they are categorised within Level 2 in the fair value hierarchy. It is presented in "Derivative financial instruments" in the consolidated statement of financial position. The derivative asset as at 30 June 2026 was $2.7m (31 Dec 2025: derivative liability of $0.1m).

Please see below for a summary of hedges outstanding as at 30 June 2026, which are a mix of zero cost collars and swaps.

	3Q26	4Q26	1Q27	2Q27
Production hedge per quarter – 000/bbls	240	210	75	75
Min. Average value of hedge - $/bbl	60.4	61.0	67.3	67.3
Max. Average value of hedge - $/bbl	81.1	82.1	85.1	85.1
Average swap strike - $/bbl	88.4	88.4	79.0	79.0

14. Subsequent events

On 24 June 2026, the board of directors of Ratio Petroleum Energy LP (Ratio) and Pharos Energy Plc announced that agreement had been reached on the terms of a recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos. Following a competing offer from Serica Energy Plc, an increased recommended all-cash offer by Ratio was agreed on 7 August 2026. The increased offer means Pharos shareholders will be entitled to receive:

- 28.8183 pence per share in cash
- 4.0 pence per share by way of special dividend

On 28 August 2026, at the Court Meeting and General Meeting to approve the Acquisition, the requisite majority of Pharos shareholders voted to approve the Scheme and pass the Resolution to implement the Scheme.

Non-IFRS measures

The Group uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include cash operating costs per barrel, DD&A per barrel, EBITDAX, free cash flow, operating cash per share and return on capital employed.

Cash operating costs per barrel

Cash operating costs are defined as cost of sales less DD&A, production based taxes, movement in inventories and certain other cost of sales.

Cash operating costs for the period are then divided by barrels of oil equivalent produced. This is a useful indicator of cash operating costs incurred to produce oil and gas from the Group's producing assets.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Cost of sales [1]	**56.6**	48.9	96.4
(Less)/add:			
Depreciation, depletion and amortisation	**(27.3)**	(21.8)	(46.4)
Production based taxes	**(5.6)**	(3.9)	(7.3)
Change in inventories	**(3.5)**	(5.0)	(3.2)
Trade receivables expected credit loss	**0.1**	0.1	1.3
Other cost of sales	**(1.5)**	(0.9)	(2.6)
Cash operating costs	**18.8**	17.4	38.2
Production (BOEPD)	**5,650**	5,642	5,398
Cash operating cost per BOE ($)	**18.38**	17.04	19.39

[1] Includes impairment reversal of financial asset

Cash operating costs per barrel by segment (1H 2026)

Vietnam	(unaudited) six months ended 30 Jun 26	(unaudited) six months ended 30 Jun 25	Year ended 31 Dec 25
	$ million	$ million	$ million
Cost of sales	49.0	41.1	81.0
Less:			
Depreciation, depletion and amortisation	(25.1)	(19.1)	(41.4)
Production based taxes	(5.6)	(3.8)	(7.2)
Change in inventories	(3.6)	(5.0)	(3.1)
Other cost of sales	(1.1)	(0.6)	(1.6)
Cash operating costs	13.6	12.6	27.7
Production (BOEPD)	4,583	4,183	4,095
Cash operating cost per BOE ($)	16.39	16.64	18.53

Egypt	(unaudited) six months ended 30 Jun 26	(unaudited) six months ended 30 Jun 25	Year ended 31 Dec 25
	$ million	$ million	$ million
Cost of sales	7.6	7.8	15.4
(Less)/add:			
Depreciation, depletion and amortisation	(2.2)	(2.7)	(5.0)
Production based taxes	-	(0.1)	(0.1)
Change in inventories	0.1	-	(0.1)
Trade receivables expected credit loss	0.1	0.1	1.3
Other cost of sales	(0.4)	(0.3)	(1.0)
Cash operating costs	5.2	4.8	10.5
Production (BOEPD)	1,067	1,459	1,303
Cash operating cost per BOE ($)	26.93	18.18	22.08

Depreciation, depletion and amortisation costs per barrel

DD&A per barrel is calculated as net book value of oil and gas assets in production, together with estimated future development costs over the remaining 2P reserves. This is a useful indicator of ongoing rates of depreciation and amortisation of the Group's producing assets.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Depreciation, depletion and amortisation	27.3	21.8	46.4
Production (BOEPD)	5,650	5,642	5,398
DD&A per BOE ($)	26.70	21.35	23.55

DD&A per barrel by segment (1H 2026)

Vietnam	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Depreciation, depletion and amortisation	25.1	19.1	41.4
Production (BOEPD)	4,583	4,183	4,095
DD&A per BOE ($)	30.26	25.23	27.70

Egypt	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Depreciation, depletion and amortisation	2.2	2.7	5.0
Production (BOEPD)	1,067	1,459	1,303
DD&A per BOE ($)	11.39	10.22	10.51

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EBITDAX

EBITDAX is earnings from continuing activities before interest, tax, DD&A, impairment charge/(reversal) of PP&E and intangibles, exploration expenditure, pre-licence costs and other/restructuring expense items in the period.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Operating profit	17.4	12.2	8.7
Depreciation, depletion and amortisation	27.3	21.9	46.6
Pre-licence costs	-	0.2	0.4
Other expenses	0.3	-	-
EBITDAX	45.0	34.3	55.7

Free cash flow

Free cash flow is calculated by subtracting capital cash expenditure from net cash from operating activities.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Net cash from operating activities	34.9	16.1	55.6
Capital cash expenditure	(29.2)	(8.2)	(27.6)
Free cash flow	5.7	7.9	28.0

Operating cash per share

Operating cash per share is calculated by dividing net cash from continuing operations by number of shares.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Net cash from continuing operating activities	34.90	16.1	55.6
Weighted number of shares in the period	414,117,372	412,341,532	413,061,183
Operating cash per share	0.08	0.04	0.13

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Return on capital employed (ROCE)

ROCE is calculated by dividing operating profit by total assets less current liabilities. ROCE measures a company's profitability and the efficiency with which its capital is employed.

	(unaudited) six months ended 30 Jun 26 $ million	(unaudited) six months ended 30 Jun 25 $ million	Year ended 31 Dec 25 $ million
Operating profit	**17.4**	12.2	8.7
Total assets less current liabilities	**379.7**	404.4	386.1
ROCE	**4.6%**	3.0%	2.3%

GLOSSARY OF TERMS

boepd
Barrels of oil equivalent per day
bopd
Barrels of oil per day
cash
Cash, cash equivalent and liquid investments
capex
Capital expenditure
CNV
Ca Ngu Vang field located in Block 9-2, Vietnam
Company
Pharos Energy plc
EGP
Egyptian Pound
EGPC
Egyptian General Petroleum Corporation, an Egyptian state oil and gas company and the industry regulator
El Fayum or the **El Fayum Concession**
The concession agreement for petroleum exploration and exploitation entered into on 15 July 2004 between the Arab Republic of Egypt, EGPC and Pharos El Fayum in respect of the El Fayum area, Western Desert, as amended from time to time
FPSO
Floating production, storage and offloading vessel
Group
Pharos and its direct and indirect subsidiary undertakings
HLJOC
Hoang Long Joint Operating Company, the operator of TGT
HLHVJOC
The HLJOC and the HVJOC
HVJOC
Hoan Vu Joint Operating Company, the operator of CNV
IPR
The IPR Energy group of companies, including IPR Lake Qarun and IPR Energy AG, or such of them as the context may require
IPR Lake Qarun
IPR Lake Qarun Petroleum Co, an exempted company with limited liability organised and existing under the laws of the Cayman Islands (registration number 379306), a wholly owned subsidiary of IPR Energy AG
JOC
Joint Operating Company
km
Kilometre
km^2
Square kilometre
m
Million
NBS, North Beni Suef or the **North Beni Suef Concession**
The concession agreement for petroleum exploration and exploitation entered into on 24 December 2019 between the Arab Republic of Egypt, EGPC and Pharos El Fayum in respect of the North Beni Suef area, Nile Valley
Petrosilah
An Egyptian joint stock company held 50/50 between the El Fayum Contractor parties (being the Pharos Group and IPR Lake Qarun) and EGPC
Prospect and lead
An identified trap that may contain hydrocarbons. A potential hydrocarbon accumulation may be described as a lead or prospect depending on the degree of certainty in that accumulation. A prospect is generally mature enough to be considered for drilling
PVN
PetroVietnam, the principal state oil and gas company of Vietnam
share
Ordinary share of 5p in the capital of the Company, unless the context otherwise requires
TGT
Te Giac Trang field located in Block 16-1, Vietnam
$ or USD
United States Dollar