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Prospex Energy Plc / Index: AIM / Epic: PXEN / Sector: Energy

10 September 2025

**Prospex Energy Plc
(‘Prospex’ or the ‘Company’)
Half Year Report**

Prospex Energy Plc, the AIM quoted investment company, is pleased to announce its unaudited Interim Results for the six months ended 30 June 2025.

Corporate and Operational Overview:

- No reportable Health and Safety incidents or environmental issues across both its operations in Italy and Spain.
- The Selva Malvezzi investment continues to provide steady and reliable income from gas production, with a supportive and stable regulatory regime in Italy which encourages activity related to indigenous natural gas production as it emphasises the security of energy supply.
- During this reporting period a further £905k was invested in the Viura asset and £484k was paid for the shares of Tarba Energía S.L. (“**Tarba**”) not already owned taking the Company’s ownership of Tarba to 100%. These additions, made via interest bearing loans to the Company’s investment vehicles, were all funded out of the Company’s existing cash reserves.
- A further £941k net share of HEYCO Energy Iberia EBITDA, accruing to the Company’s investment during the reporting period, has been retained in the joint-venture vehicle and is being applied to the ongoing drilling and workover programme.
- At the end of the reporting period the Company closed an equity placing and subscription offer raising gross proceeds of approximately £1.2 million through the issue of 26,170,193 new Ordinary Shares at 4.5p per share.
- In April 2025, the Company appointed Hannam & Partners as Joint Corporate Broker to the Company.

Post period

- Total net proceeds of £1.12m were received from the above equity raise, of which £283k was received by 30 June.
- At the date of this report, a further direct investment of €1.3m has been made in the Viura asset.
- New Gas Sales Agreement signed with Hera Trading to supply gas from the Selva Malvezzi production concession replacing the current Gas Sales Agreement with BP Gas Marketing which expires on 1 October 2025.

Financial Overview

- The Company reports a £180,101 (H1 2024: £275,120) loss after taxation from continuing operations for the six-months ended 30 June 2025, a 34% reduction on last year.
- The reported loss includes a £32,715 unrealised loss (H1 2024: £nil) of financial assets at fair value. Forward gas prices and exchange rates at 30 June 2025 were taken into consideration as well as gas produced from the assets in calculating the reported loss.
- The Company's Net Asset value (Shareholder Equity) increased by £938,246 in the six-months ended 30 June 2025 – From £24,590,154 at 31 December 2024 to £25,528,400 at the reporting date.
- The Company remains free of any interest bearing or secured debt.
- At 30 June 2025, the Company held cash and cash equivalents of £147,134 (Year-end 2024: £1,185,386). Cash and cash equivalents held in Euros in the Company's wholly owned non-consolidated investment companies amounted to €1,009,095 (Year-end 2024: €338,628).
- Of the £1,834,203 increase in trade and other receivables, £967,263 comprises increased loans to the Company's investment companies and interest accrued, net of debt repayments to the Company on investment loans made during the exploration and development phases of its projects.
- The Company and its investment vehicles are expected to have sufficient funds to continue in operation and meet future operating and known capital costs.

Mark Routh, CEO of Prospex, said:

"2024 was a transformative year for Prospex. With the Viura investment, we added a third producing onshore European gas field to our portfolio, lifting production across our portfolio by 230%. The purchase in 2025 of the remaining interests in Tarba further strengthened our position, consolidating our ownership of El Romeral and adding the suspended Tesorillo asset, together contributing over 750 Bcf (21.3 Bcm) of best-case prospective gas resources to our portfolio, at very low cost.

While short-term production interruptions at Viura and El Romeral are frustrating, both assets are now positioned to deliver stronger performances, with permits in place to drill new wells on Viura and advancing on El Romeral. Meanwhile, Selva Malvezzi continues to deliver steady income and commands premium pricing under our new gas sales agreement with Hera Trading.

We remain confident that our growing portfolio of producing assets offers significant upside potential and we look forward to converting our contingent and prospective resources into proven producing reserves that will drive long-term value for shareholders."

Operational Highlights

Viura

- Total natural gas produced from the Viura-1B well from start-up in December 2024 to the end of Q1-2025 was 30.2 MMscm = 1.1 Bcf (which is ≈ 4.4 MMscm = 154 MMscf net to Prospex).
- In April 2025, the operator of the Viura field, HEYCO Energia Iberia S.L. (“HEI”) advised Prospex of the temporary cessation of production of the new Viura-1B well due to a leak in the completion tubing. HEI had to mobilise a suitable drilling rig to perform the workover to reinstate production from the field. The temporary halt to production had an impact on the stated schedule for drilling the development wells, for which permits are already approved, which are now anticipated to be drilled in 2026.

Post period end:

- At the end of July 2025 HEI advised Prospex that it had successfully repaired the leak in the production tubing of the Viura-1B well identified in April 2025. However, during the newly run completion of the wellbore, HEI identified an unexpected blockage of residual drilling mud possibly requiring the mobilisation of a coil-tubing unit to clear the obstruction to allow the sliding sleeve to be actuated in order to allow gas production to resume.
- In August 2025, HEI confirmed that the drilling mud blockages were resolved using wire line methods thus a coil tubing unit was not required, resulting in significant cost savings.
- In addition, a short flow test carried out at the well confirmed that the well is operating successfully after the workover, demonstrating strong deliverability from both the well and the Viura reservoir. During the short flow test the following rates were achieved:
 - 100,000 scm/d (3.5 MMscfd) at a 10% choke setting.
 - 200,000 scm/d (7.1 MMscfd) at a 25% choke setting.

Both flow tests produced dry gas with no water from the topmost section of the main Utrillas A reservoir, fulfilling one of the main objectives of the workover intervention.

- Although HEI successfully replaced the tubing in the Viura-1B well in July 2025, it advised of a delay to the reinstatement of production from the Viura-1B well due to technical and equipment issues, both sourcing and implementation, which are delaying the resumption of production and which they are working urgently to address.
- The Company is waiting for further information from HEI, including the likely timing of the resumption of production, which is currently unknown.

Selva Malvezzi

- At the time of reporting, the Podere Maiar-1d well has delivered ≈ 54.4 million standard cubic metres of gas from the C2 level in the well to date since first gas on 4 July 2023.
- In the first half of 2025, gas production and revenues from PM-1 gas facility in the Selva Malvezzi Production Concession were as follows:
 - Average gross daily production rate of 77,264 scm/d.
 - Production net to Prospex at 37% was 5,174,339 scm at a weighted average price of €0.45 per scm.
 - Prospex 37% share of gross revenue was € 2,295,159.

- In second quarter of 2025, the operator of the Selva Malvezzi Production Concession Po Valley Operations Pty Limited (“**PVO**”), a wholly owned subsidiary of Po Valley Energy Limited (ASX: PVE) confirmed that it is on target to start field activities at the Selva Malvezzi Production Concession in October 2025 starting with the 3D seismic acquisition project.
- In early April 2025, PVO received INTESA from the Region and the final authorisation by the MASE for the 3D geophysical survey acquisition on the Selva Malvezzi Production Concession. Field activities, including the 3D seismic acquisition, are scheduled for early October 2025 in accordance with guidance from landowners and relevant Farmer’s Associations, ensuring no impact on their late summer harvest. Permitting process and landowner agreements continued to advance.
- During May 2025, the EIA technical commission of the Ministry (“**MASE**”) requested further studies specifically covering assessment of flood risk in the area given flooding events that occurred in the region in 2023 and 2024. In addition, the Budrio Municipality requested a relocation of the Casale Guida (North Selva) and Ronchi (South Selva) well site due to community concerns regarding visual and noise impacts on the surrounding area. The Selva Malvezzi-1 (East Selva) well site location will also be evaluated further to mitigate flooding risk concerns raised by the Civil Protection of Emilia Romagna Region. PVO is preparing an updated EIA for resubmission which aligns with the Ministry’s observations and recommendations outlined. The re-location of the surface locations of the two well pads does not impact the 3D seismic programme.

Post period end:

- In July 2025, PVO confirmed the advancement of permitting revisions is underway to address further studies and recommendations from the technical commission of Ministry (MASE) Budrio Municipality, Civil Protection and Emilia Romagna region for the Broader Selva Development Program focussing on Casale Guida-1d (Selva North), Ronchi-1d (Selva South), Bagnarola-1d (Riccardina), Selva Malvezzi-1d (East Selva) wells.
- In August 2025, the Company through the Selva Malvezzi Joint Venture signed a new Gas Sales Agreement with Hera Trading to supply gas from the Podere Maiar-1d well facility in the Selva Malvezzi production concession replacing the current Gas Sales Agreement with BP Gas Marketing which expires on 1 October 2025. The 12-month contract commences on 1 October 2025 to supply approximately 27.963 million standard cubic metres of gas, with the option to extend. The gas supply price will be linked to the Italian Gas Index (IG INDEX GME).

El Romeral

- In the first half of 2025, the El Romeral power plant generated 3,752 MWh of electricity and achieved sales income of €365,152.
- In February 2025, following the initiation of the Statutory Consultation of the Environmental Impact Assessment (“EIA”) for the application to drill five new natural gas wells on the El Romeral concessions, the EIA consultation was publicly gazetted on the State Official Bulletin. The purpose of the public gazetting is to engage with all citizens, stakeholders, including up to 29 statutory consultees and local regulators, institutions or associations to address questions and concerns on any environmental impact of the project. The local governmental authority alongside the Department of Industry and

Energy of the sub-delegation of the Government in Seville are responsible for the next stage of the application process.

- The application to drill five new natural gas wells on the production concessions owned by Tarba known as El Romeral 1, 2 & 3 was submitted to the central Spanish regulatory authority in Madrid in May 2024 together with the full scientific analysis and assessment of any potential effects that the proposed drilling project may have on the environment.
- This statutory consultation period is open for 30 working days, during which time Tarba will respond to questions and requests for further information from interested parties.
- At the end of the gazetting period, the sub-delegation of the Government in Seville will report back to the Ministry in Madrid with its findings and recommendations. From this point, the Ministry in Madrid targets between 90 to 180 days for the final review and approval, giving time to gather its internal and final EIA evaluation, together with all the mandatory statutory reports from the public administrations and institutions before it can issue an approval resolution granting the permits to drill the five wells.

Post period end:

- At the time of this report not all of the statutory reports had been finalised by the sub-delegation of the Government in Seville, however, there have been no objections made or adverse comments from the statutory consultees or the general public about Tarba's plans to drill the five new wells on the concessions.
- In July 2025, the Company advised that the El Romeral power plant near Carmona in southern Spain ceased producing electricity on 1 July 2025. A two-week shutdown of production was expected whilst the plant's main transformer was replaced. Tarba, the operator of the plant has been renting a transformer from a third-party supplier and that company requested that the transformer be swapped out for a more suitably sized unit at a lower rental cost. There have been delays to the arrival of the new transformer unit due to circumstances beyond the control of either company. Tarba is entitled to compensation for lost production from the transformer provider at a rate of €3,000 per day plus other operational costs related to alternative power provision. In August this compensation increased to just under €4,000 per day following the delay on the delivery of the replacement transformer. Tarba does not have a firm delivery date, the expectation is that replacement will occur during Q3 2025. Whilst this is not an ideal situation, Tarba is entitled to compensation for lost production.

Other investments - Poland

- In Poland, the Company's Polish Subsidiary applied for licences to own 100% working interest in prospective blocks in areas which meet the Company's objectives of proven gas production, high potential prospectivity in the targeted geological horizons and high potential for new reserves to be unlocked which can be brought onstream within two to three years. The licence applications in Poland are with the Ministry of Climate and Environment for evaluation. The next step will be the public gazetting of Prospex's applications and details of the proposed work programmes on the licences.

Business Development

- Prospex remains committed to its stringent investment criteria; namely its strategy of investing in onshore natural gas projects across Europe and to this end, is continuously evaluating new opportunities that have the potential to deliver long-term value for shareholders.
- Prospex has a very strong technical team which rigorously evaluates opportunities always starting from the premise that the subsurface analysis must demonstrate that the rocks can produce hydrocarbons at commercial rates before the commercial aspects of any deal are considered.

CHAIRMAN'S STATEMENT

Operational Report

On behalf of the Board, I am pleased to share the progress the Company made in the first half of 2025 with its ongoing investments in Italy, Spain and Poland. Progress is rarely a straight line, but advances in all areas, as detailed above, show a positive trend towards increased production revenue and asset growth, notwithstanding regulatory and operating challenges.

Last year Prospex invested in Viura, its third producing project in Europe, taking it one step closer to growing the Company into a major natural gas focussed producer in the onshore European energy market. During the reporting period, growth was significantly enhanced in the second quarter of the year with the acquisition of 100% of Tarba for a total cost of €662,725, which added the remaining 50.1% of the El Romeral asset and 85% of the suspended Tesorillo asset. These two assets combined added 750 Bcf (21.3 Bcm) of best-case prospective gas resources to the portfolio. The acquisition was funded entirely by accumulated cash reserves from our investment portfolio and is expected to lead to significantly increased production revenue once the permits to drill the five new wells on the El Romeral concessions are approved. The best-case prospective gas resources Prospex acquired in the El Romeral asset alone, (45 Bcf or 1.3 Bcm) was at an equivalent price of US\$0.092/Boe or US\$0.016/mcf, thus delivering the Company's strategy of acquiring at low-cost undervalued projects with multiple tangible value trigger points that can be realised within 12 months of acquisition. If the best-case prospective resources attributable to 85% of the Tesorillo asset of 705 Bcf (20 Bcm) is added, then the acquisition cost of the best-case prospective gas resources reduces to US\$0.006/Boe or US\$0.001/mcf.

The first quarter of the year started with the addition of the gas production from the newly drilled Viura well to the Company's portfolio of producing natural gas assets, resulting in the net production across Prospex's portfolio of investments rising to ≈86,000 scm/d (≈3.1 MMscfd), a 230% increase in the Company's production rate from January 2024. The Operator's best estimate of recoverable gross remaining reserves at the Viura field is 90 Bcf (2.5 Bcm), therefore the Viura acquisition added 6.5 Bcf (0.18 Bcm) net to Prospex's portfolio when it was acquired in August 2024. The purchase price of £4.84 million translates to a per unit acquisition price of US\$5.785/Boe or US\$0.997/mcf for producing gas reserves. The reserve numbers are expected to increase upon a new interpretation of the reprocessed 3D seismic and further evaluation of the newly drilled horizons.

Growth plans were impacted during the reporting period by the temporary shut-down of the Viura field in April, which required a workover to restore production. To accommodate the delay and maximise work across our portfolio, the drilling schedule has been moved to the subsequent development wells, for which permits are already secured, into next year, thus allowing further time for the funding of these wells. Post period end, production tests upon the completion of the workover at the Viura-1B well confirmed the significant production potential from this new asset, as we await the re-instatement of steady production from the field.

Tarba's El Romeral has also seen production curtailed with the transformer replacement being delayed, but compensation for lost production is receivable. Significant progress has been made on the applications to drill five further wells on the El Romeral concessions in Andalucía southern Spain, with the regulatory process still ongoing.

Selva Malvezzi continues to produce at steady and reliable production rates providing a regular income stream for the Company. Post-reporting date a new gas sales agreement was signed with Hera Trading with the gas price linked to the publicly quoted Italian Gas Index 'IG Index GME' which trades at a premium to the Dutch TTF gas price, so we expect the Selva Malvezzi asset will continue to achieve a premium for its gas sales. Post period end, preparations to drill four more wells on the Selva Malvezzi concession continue with revisions to the top-hole locations being required. Preparatory work continues for the acquisition of a short low-cost 3D seismic survey across the concession which should be completed by the fourth quarter of this year, subject to financing.

The next opportunity to grow the Company is the applications to licence two onshore areas in Poland which progressed through the regulatory process during the period having met the required qualifications last year, both financially and technically, to be able to lodge applications. The next stage is the public gazetting with details of the areas to satisfy the terms of the open block licence application process.

The Board maintains the view that all three of Prospex's producing onshore gas investments have significant upside potential within the existing production concessions. I look forward to updating shareholders as we progress with the conversion of both our contingent and prospective resources on our three production concessions into proved developed producing reserves.

Financial Review

The Company's net asset value, which grew significantly during 2024, continued to strengthen in the first half of 2025. The Board believes that the acquisition of 100% of Tarba Energía and the further investment in the Viura asset will deliver very favourable returns. After paying its operating costs, the Company reinvests funds generated within the Company's investment portfolio for growth.

Outlook

The Company has investment opportunities in each of its four current operating areas, some of which will come to fruition over the next 24 months. The ability to make strategic investments, providing accretive growth over financing costs, is a key focus for the Company. Continued investment may require financing beyond the current levels of cash generation and a combination of equity offering, farm out, sale or asset dilution may be required depending on the timing of the return to production in El Romeral and Viura, production levels and commodity pricing.

Bill Smith

Non-Executive Chairman

Glossary:

Bcf	Billion standard cubic feet
Bcm	Billion standard cubic metres
Boe	Barrels of Oil Equivalent (where 1 MMBoe = 5.8 Bcf)
mcf	Thousand standard cubic feet
MMBoe	Million Barrels of Oil Equivalent
MMscf	Million standard cubic feet

MMscfd	Million standard cubic feet per day
MMscm	Million standard cubic metres
MMscm/d	Million standard cubic metres per day
MWh	Mega Watt hour
scm	Standard cubic metres
scm/d	Standard cubic metres per day
TTF	The 'Title Transfer Facility' - a virtual trading point for natural gas in the Netherlands.

Prospex Energy Plc
Interim results
For the six months ended 30 June 2025

Statement of profit or loss and other comprehensive income

	Six months ended 30 June	Six months ended 30 June	Year ended 31 December
	2025	2024	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>
	£	£	£
CONTINUING OPERATIONS			
Administrative expenses	(630,804)	(521,209)	(1,263,452)
Share-based payment charge	-	-	(96,388)
OPERATING LOSS	(630,804)	(521,209)	(1,359,840)
(Loss)/Gain on revaluation of assets	(32,715)	-	713,583
	(663,519)	(521,209)	(646,257)
Finance income	424,011	252,842	621,486
Finance costs	-	(6,753)	(7,053)
LOSS BEFORE INCOME TAX	(239,508)	(275,120)	(31,824)
Income tax	59,407	-	(14,935)
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(180,101)</u>	<u>(275,120)</u>	<u>(46,759)</u>
Loss per share			
- Basic earnings	<u>(0.04)p</u>	<u>(0.08)p</u>	<u>(0.01)p</u>

Statement of financial position – As at 30 June 2025

	30 June 2025 (unaudited) £	30 June 2024 (unaudited) £	31 December 2024 (audited) £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	-	-	-
Investments (Note 5)	16,277,482	15,596,671	16,310,197
	<u>16,277,482</u>	<u>15,596,671</u>	<u>16,310,197</u>
CURRENT ASSETS			
Trade and other receivables (Note 6)	10,096,387	5,695,203	8,262,184
Investments	100	100	100
Cash and cash equivalents	147,134	10,991	1,185,386
	<u>10,243,621</u>	<u>5,706,294</u>	<u>9,447,670</u>
TOTAL ASSETS	<u>26,521,103</u>	<u>21,302,965</u>	<u>25,757,867</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	7,375,754	7,279,630	7,349,585
Share premium account	22,144,547	17,158,847	21,052,369
Capital redemption reserve	43,333	43,333	43,333
Merger reserve	2,416,667	2,416,667	2,416,667
Fair value reserve	15,342,514	14,617,174	15,315,822
Retained earnings	(21,794,415)	(21,213,723)	(21,587,622)
TOTAL EQUITY	<u>25,528,400</u>	<u>20,301,928</u>	<u>24,590,154</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred taxation	883,186	927,658	942,593
	<u>883,186</u>	<u>927,658</u>	<u>942,593</u>
CURRENT LIABILITIES			
Trade and other payables	109,517	73,379	225,120
TOTAL LIABILITIES	<u>992,703</u>	<u>1,001,037</u>	<u>1,167,713</u>
TOTAL EQUITY AND LIABILITIES	<u>26,521,103</u>	<u>21,302,965</u>	<u>25,757,867</u>

Statement of changes in equity
For the six months ended 30 June 2025

	Share capital £	Share premium £	Retained earnings £	Capital redemption reserve £	Merger reserve £	Fair value reserve £	Total £
<i>Unaudited</i>							
At 1 January 2025	7,349,585	21,052,369	(21,587,622)	43,333	2,416,667	15,315,822	24,590,154
Total comprehensive income for the period	-	-	(180,101)	-	-	-	(180,101)
Issue of shares	26,169	1,151,487	-	-	-	-	1,177,656
Costs in respect of shares issued	-	(59,309)	-	-	-	-	(59,309)
Net transfer to fair value reserve	-	-	(26,692)	-	-	26,692	-
At 30 June 2025	<u>7,375,754</u>	<u>22,144,547</u>	<u>(21,794,415)</u>	<u>43,333</u>	<u>2,416,667</u>	<u>15,342,514</u>	<u>25,528,400</u>
<i>Unaudited</i>							
At 1 January 2024	7,279,630	17,158,847	(20,938,603)	43,333	2,416,667	14,617,174	20,577,048
Total comprehensive income for the period	-	-	(275,120)	-	-	-	(275,120)
At 30 June 2024	<u>7,279,630</u>	<u>17,158,847</u>	<u>(21,213,723)</u>	<u>43,333</u>	<u>2,416,667</u>	<u>14,617,174</u>	<u>20,301,928</u>
<i>Audited</i>							
At 1 January 2024	7,279,630	17,158,847	(20,938,603)	43,333	2,416,667	14,617,174	20,577,048
Total comprehensive income for the year	-	-	(46,759)	-	-	-	(46,759)
Issue of shares	69,955	4,127,368	-	-	-	-	4,197,323
Costs in respect of shares issued	-	(233,846)	-	-	-	-	(233,846)
Equity-settled share-based payments	-	-	96,388	-	-	-	96,388
Transfer to fair value reserve	-	-	(698,648)	-	-	698,648	-
At 31 December 2024	<u>7,349,585</u>	<u>21,052,369</u>	<u>(21,587,622)</u>	<u>43,333</u>	<u>2,416,667</u>	<u>15,315,822</u>	<u>24,590,154</u>

Statement of Cash Flows
For the six months ended 30 June 2025

	Six months ended 30 June	Six months ended 30 June	Year ended 31 December
	2025	2024	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>
	£	£	£
Operating activities			
Loss before income tax	(239,508)	(275,120)	(31,824)
Loss/(gain) on revaluation of assets	32,715	-	(713,583)
Finance income	(424,011)	(252,842)	(621,486)
Finance costs	-	6,753	7,053
Operating loss	(630,804)	(521,209)	(1,359,840)
(Increase)/decrease in trade and other receivables	(575,424)	758,730	(1,442,007)
(Decrease)/increase in trade and other payables	(115,603)	(52,738)	99,003
Equity-settled share-based payment charge	-	-	96,388
Net cash (outflow)/inflow from operating activities	(1,321,831)	184,783	(2,606,456)
Cash flows from investing activities			
Purchase of investments	-	(1,740)	(1,683)
Interest received	679	2	2,402
Interest paid	-	(6,753)	(7,053)
Net cash inflow/(outflow) from investing activities	679	(8,491)	(6,334)
Cash flows from financing activities			
Loan repayments	-	(168,487)	(168,487)
Issue of share capital	282,900	-	4,197,323
Costs in respect of share issue	-	-	(233,846)
Net cash inflow/(outflow) from financing activities	282,900	(168,487)	3,794,990
Net (decrease)/increase in cash and cash equivalents	(1,038,252)	7,805	1,182,200
Cash and cash equivalents at start of period	1,185,386	3,186	3,186
Cash and cash equivalents at end of period	147,134	10,991	1,185,386

Notes to the interim financial statements

1 General information

Prospex Energy Plc is a company incorporated in the United Kingdom, which is listed on the Alternative Investment Market of the London Stock Exchange Plc. The address of its registered office is c/o Arch Law Limited, Huckletree Bishopsgate, 8 Bishopsgate, EC2N 4BQ.

The Group is primarily involved in the development, exploration and the production of natural gas and the generation of electricity.

2 Financial information

The interim financial information for the six months ended 30 June 2025 and 2024 have not been audited or reviewed and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The comparative financial information for the year ended 31 December 2024 has been derived from the audited financial statements for that period. A copy of those statutory financial statements for the year ended 31 December 2024 has been delivered to the Registrar of Companies. The report of the independent auditors on those financial statements was unqualified, drew attention to a material uncertainty relating to going concern and did not contain a statement under Sections 498 (2) or (3) of the Companies Act 2006.

The interim financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 as they apply to the financial statements of the Company for the six months ended 30 June 2025 and as applied in accordance with the provisions of the Companies Act 2006 and under the historical cost convention or fair value where appropriate. They have also been prepared on a basis consistent with the accounting policies expected to be applied for the year ending 31 December 2025 and which are also consistent with those set out in the statutory accounts of the Company for the year ended 31 December 2024.

The interim financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

3 Taxation

On the basis of these accounts the only charge to taxation is the deferred taxation arising on the revaluation of the company's investments.

4 Loss per share

The loss and number of shares used in the calculation of earnings per share are as follows:

	Six months ended 30 June 2025 (unaudited)	Six months ended 30 June 2024 (unaudited)	Year ended 31 December 2024 (audited)
Basic EPS			
Loss for the financial period	<u>(180,101)</u>	<u>(275,120)</u>	<u>(46,759)</u>
Basic EPS			
Weighted average number of shares for basic EPS	<u>402,684,515</u>	<u>332,584,535</u>	<u>359,725,698</u>
Loss per share	<u>(0.04)p</u>	<u>(0.08)p</u>	<u>(0.01)p</u>

The loss and weighted average number of shares used for calculating the diluted loss per share are identical to those for the basic loss per share. The outstanding share options would have the effect of reducing the loss per share and would therefore not be dilutive under IAS 33 'Earnings per Share'.

5 Non-current investment

	Shares in group undertakings £	Unlisted investments £	Total £
<i>Unaudited</i>			
At 1 January 2025	16,260,197	50,000	16,310,197
Revaluations	<u>(32,715)</u>	<u>-</u>	<u>(32,715)</u>
At 30 June 2025	<u>16,227,482</u>	<u>50,000</u>	<u>16,277,482</u>
<i>Unaudited</i>			
At 1 January 2024	15,544,931	50,000	15,594,931
Additions	<u>1,740</u>	<u>-</u>	<u>1,740</u>
At 30 June 2024	<u>15,546,671</u>	<u>50,000</u>	<u>15,596,671</u>
<i>Audited</i>			
At 1 January 2024	15,544,931	50,000	15,594,931
Additions	<u>1,683</u>	<u>-</u>	<u>1,683</u>
Revaluations	<u>713,583</u>	<u>-</u>	<u>713,583</u>
At 31 December 2024	<u>16,260,197</u>	<u>50,000</u>	<u>16,310,197</u>

The fair values of shares in group undertakings are as follows:

	PXOG Marshall Limited £	PXOG Muirhill Limited £	PXEN Tatra Sp. Z o. o £	Total £
At 30 June 2025 (unaudited)	<u>16,225,699</u>	<u>100</u>	<u>1,683</u>	<u>16,227,482</u>
At 30 June 2024 (unaudited)	<u>15,544,831</u>	<u>100</u>	<u>1,740</u>	<u>15,546,671</u>
At 31 December 2024 (audited)	<u>16,258,414</u>	<u>100</u>	<u>1,683</u>	<u>16,260,197</u>

PXOG Marshall Limited and PXOG Muirhill Limited are incorporated in the UK and registered in England & Wales. PXEN Tatra Sp. Z o. o is incorporated and registered in Poland. The Company owns 100% of the issued share capital for each of these companies.

Investments in investment entity subsidiaries are accounted for as financial instruments at fair value through profit and loss and are not consolidated in accordance with IFRS10.

These entities hold the Company's interests in investments in portfolio companies. The fair value can increase or reduce from either cash flows to/from the investment entities or valuation movements in line with the Company's valuation policy.

The fair value of these entities is their net asset values.

The Directors determine that in the ordinary course of business, the net asset values of an investment entity subsidiary are considered to be the most appropriate to determine fair value. At each reporting period, they consider whether any additional fair value adjustments need to be made to the net asset values of the investment entity subsidiaries. These adjustments may be required to reflect market participants' considerations about fair value that may include, but are not limited to, liquidity and the portfolio effect of holding multiple investments within the investment entity subsidiary.

6 Trade and other receivables

	Six months ended 30 June 2025 (unaudited) £	Six months ended 30 June 2024 (unaudited) £	Year ended 31 December 2024 (audited) £
Trade receivables	3,206	3,345	3,206
Amounts owed by group undertakings	9,211,129	5,655,064	8,243,866
Net placing proceeds receivable	835,450	-	-
Other receivables and prepayments	46,602	36,794	15,112
	<u>10,096,387</u>	<u>5,695,203</u>	<u>8,262,184</u>

7 Dividends

The directors do not propose to declare a dividend for the period.

8 Copies of interim results

Copies of the interim results can be obtained from the website www.prospex.energy. From this site you may access our financial reports and presentations, recent press releases and details about the company and its operations.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving and reading this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, the Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.