10166359 (England and Wales)

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PENNPETRO ENERGY PLC

ANNUAL REPORT AND FINANCIAL

STATEMENTS FOR THE YEAR ENDED

31 MARCH 2026

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COMPANY INFORMATION

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Chairman's Statement

Dear Shareholder,

I am pleased to present the Company's annual report and audited financial statements for the year ended 31 March 2026 — published within the regulatory deadline, and on time for the first time in many years. That this can be said at all is a measure of how far your Company has travelled in the period under review, and it is right that this statement records that journey plainly.

Only months have passed since the Company's previous — and much delayed — annual report was filed, on 20 March 2026, and with it my first statement to you as your Chairman, describing a company in profound transition, beset by legacy problems on every side. That so short an interval separates that statement from this one makes the comparison all the more telling: the company described in these pages bears little resemblance to the Pennpetro of prior periods.

The position we inherited

It is worth recalling, with candour, where your Company stood in the autumn of 2025. Its shares had been suspended from trading since 1 August 2024 — the Company remaining listed throughout — after the then management twice failed to produce the audited accounts and interim reports the Company was required to publish; failures which led directly to their departure. There had been no production since 2024. The Company's books and records for earlier periods were incomplete — the direct cause of the disclaimers of opinion carried in the audit reports of recent years. The Company owed approximately US$5 million in respect of its United States operations, with no realistic means of servicing that debt, and faced the genuine prospect of the cancellation of its listing and of administration — an outcome the previous annual report recorded the Board as having had to consider on more than one occasion. An interim board had kept the Company alive; survival was, at that stage and for the first 6 months of the period covered by this report, the only objective.

In the autumn of 2025, that changed. RMD Group agreed to stand behind the Company; Mavriky Kalugin joined the Board on 16 October 2025 as Executive Director and Chief Operations Officer, and I followed on 29 October 2025 as Chief Executive Officer, before Mavriky's promotion to Chief Executive Officer and my move to my present role of Executive Chairman. With that support in place, the rebuilding of Pennpetro began in earnest. I believe the record of the months that followed speaks for itself.

Rebuilding the balance sheet

The first task was funding and the settlement of legacy liabilities. The Company entered into three convertible loan note agreements with RMD Group — £250,000 in September 2025, a further £250,000 in January 2026 and £325,000 in April 2026, being £825,000 in aggregate — which provided the working capital to keep the Company operating, to settle legacy creditor balances and to meet the professional costs of restoring the Company to good standing.

RMD Group, have confirmed to the board that these loan notes are expected to be converted into equity as part of a successful RTO process, subject to approval of the same by shareholders and the return to trading of the Company's shares. The conversion of these debt instruments into equity will mean that at the time of closing the planned RTO, the Company will carry no significant debt obligations.

The second task was the legacy debt attached to the Company's United States operations. In August 2025, Petroquest Energy Limited gave a corporate undertaking to discharge the Group of its liabilities under a loan note then standing at approximately US$4.8 million, in exchange for the Company's entire equity interest in its US subsidiaries. That undertaking was completed on 30 March 2026 — before the year end — when the Company and Petroquest signed the definitive Loan Release Deed: the Group's entire interest in Pennpetro USA Corp and its subsidiaries transferred to Petroquest, the US subsidiaries were deconsolidated, and the Petroquest debt was irrevocably released and discharged in full. The agreement documenting that transfer was subsequently amended and signed after the year end, but on terms confirming 30 March 2026 as the effective date of the disposal, so that, for accounting purposes, the Company's US interests were fully and finally disposed of within the year under review. Following that disposal, the Company retains no continuing interest, liability or obligation of any kind — whether in Pennpetro USA Corp and its subsidiaries, the Chalk Talk A-1H lease, or any other asset, licence or lease formerly associated with those US operations.

The combined effect of these steps bears stating plainly: a company that less than a year ago was, in substance, insolvent is today clean and debt-free, save only for the RMD Group convertible loan notes — which are themselves intended for conversion into equity.

Restoring the Company's reporting

When RMD Group's support was secured in the autumn of 2025, the Company's statutory reporting was years in arrears — the legacy of a management that had failed, twice over, to deliver audited accounts and interim reports. The contrast since bears setting out. The overdue 2023/24 annual report was published on 25 September 2025, just as that support was first secured, and the Annual General Meeting was held in November 2025. The interim results for the six months ended 30 September 2024 followed in December 2025, with a General Meeting held the same month. The 2024/25 annual report was published on 20 March 2026, recording a loss for that year of US$1.7 million against US$8.9 million in the year before — itself a measure of the retrenchment achieved. And the financial statements now presented are the product of the third full-year audit the Company has undergone in the space of some ten months — where, in the years before, its then management could not deliver one.

With the publication of the present accounts within the regulatory deadline, the Company's statutory reporting is — for the first time in many years — fully up to date, on time. Interestingly, it is also the first time the Company has reported a profit since listing and ironically it took the disposal of all of the legacy assets, subsidiaries and a lack of production as it was previously carried on in the past to achieve this.

Audit opinions — and the reset

Shareholders will note that the audit report on these financial statements again carries disclaimers of opinion, carried over from prior periods. That deserves a direct explanation. The disclaimers arise from the state of the Company's books and records in earlier periods, under previous management. They are a legacy of the past, not a comment on the Company as it stands today: the conditions that gave rise to them ceased to apply beyond the year end on 31 March 2026.

The FCA has written to the Company in July 2026, to confirm the date at which the Pennpetro became a 'Shell Company' and listing the key action points to be resolved whilst in parallel the Company focuses on its RTO. Among these is the investigation of past actions by former board members to result in a full report informing the FCA of the same. Justin Fraser Jones is responsible at board level for this process, freeing up the other directors to drive the business forward, complete the Corporate and Strategic goals and deliver a prospectus for shareholders to consider and approve at an upcoming General Meeting, without further distraction. I place this comment in this section of the report as it directly relates to the Disclaimers of Opinion in the last two Audit Reports (FY24 and FY25).

I personally proposed to the board that it was in the best interest of this Company to publish its Audited Accounts on time. Indeed, that publishing on time was more important to Pennpetro and its shareholders, than spending yet more time and resources chasing deliberately concealed or withheld documentation that would eventually come from the internal Investigation in any case, albeit later than the regulatory filing deadline.

To allow for this timely filing of these FY25/26 audited financial statements, Spark in their discussions with the FCA, on behalf of the Company and the Board has confirmed with the Case Team that Pennpetro's board have now resolved to procure audited interim accounts for the 3-month period from April to June 2026 — a period wholly under the stewardship of the current Board — which the Directors expect to be free of such disclaimers. That filing is intended to represent, in effect, a formal reset of the Company's financial reporting: a clean, financially sound company, presented in a form satisfactory to shareholders and to the regulator, in direct support of the Company's shares returning to trading on the exchange.

Governance

Governance reform has been a parallel priority throughout the period, since I was appointed, and in particular Mr Sergiy Lesyk joined the Board in January 2026 as Non-Executive Director with responsibility for corporate governance and compliance. Grand Chief Ron Derrickson joined the Board in April 2026 as Non-Executive Co-Chairman — an appointment which has both strengthened the Board and opened new relationships and opportunities for the Company in the United States and Canada. In April 2026 the Company appointed SPARK Advisory Partners Limited as financial adviser to assist with the return of the Company's shares to trading, liaising on behalf of the Company with the FCA and providing financial advisory services to the board as the Company restructured and improved internal governance and compliance. Internal controls and compliance structures have been rebuilt with one aim: that the failures of earlier periods cannot reoccur.

Legacy shareholder matters

The return of the shares lent to the Company by supportive shareholders in 2023 — shares which should have been returned long ago — remains an urgent priority, a legal obligation and, in this Board's view, a matter of basic fairness. The FCA sees this as an important overhang from the past that the Company needs to address once and for all, and the Company agrees. The Board sought, and has now received, Counsel's opinion on the approach proposed for their return, and Spark, DMH Stallard and the Board are working through its findings with a view to resolving this matter at the earliest possible time. This process until resolved will stand between shareholders and their desire to see shares in Pennpetro trading on the exchange once again. The Company will RNS updates on this as we progress this matter to conclusion.

Strategy and the path back to trading

Following the full disposal of the Company's United States assets and subsidiaries, the Board declared to the Financial Conduct Authority that the Company is today, in substance, a listed shell: clean, solvent and compliant. The Board's focus is therefore twofold — the Company's return to trading on the London Stock Exchange, and the identification of the route that will deliver the greatest value to shareholders whilst achieving this outcome.

The Board is now committed to a reverse takeover and the FCA has confirmed to the Board in writing that it will allow the Company reasonable time to pursue this route while its listing remains suspended, while reserving the right to revisit that position at any time.

There is also a timescale to bear in mind: under the UK Listing Rules, a company that has become a Shell Company is generally allowed a twelve-month grace period — in the Company's case, running from 5 June 2026 — within which to address its listing category, meaning on or around 5 June 2027 at the latest, absent any further extension agreed with the FCA.

The Company has been evaluating the acquisition of a possible interest in the Limnytska licence in western Ukraine, structured so as to manage dilution of existing shareholders, alongside further potential opportunities in the United States and Canada. The complexities, resource requirements and costs associated with carrying out more than one acquisition in the same timeframe may be prohibitive and increase the risk to the Company of returning to trading through the RTO route in the time available to the Company such that at this time it has been decided that the board will focus on Limnytska initially with other opportunities under consideration following as appropriate post-RTO.

In any case, the Board will bring forward via prospectus only a proposition it judges to be of real substance, and shareholders will be kept informed at every appropriate stage.

The Board have considered and consulted with advisors on a number of north American opportunities, providing the Company with geographical diversity and Mavriky continues to pursue these opportunities such that they are sufficiently well developed that future arrangements could be entered into at a near future date once the Company has completed its initial RTO. At least one other possible opportunity which is in the Transition Energy sector, of large scale and advanced nature, is available to the Company, but for now that is not being considered further whilst the Company awaits an independent Limnytska License CPR including a Resource NPV valuation.

To this end, the Company has engaged GLJ (Calgary, Canada) to provide the Company and its main board Sponsor, Spark, with an independent Competent Person's Report (CPR) on the Limnytska asset. This is underway and by definition the Company does not yet know the valuation which will be attributed to the asset based on the information available to the Company and any additional data that GLJ will themselves use to form their opinion on that valuation. Once the Board are aware and as required, at the appropriate time the Company will share information with shareholders and the market via RNS.

The anticipated date of receipt of the CPR in its final version is approximately September 3rd, 2026, according to GLJ's engagement letter timetable.

Outlook

In my first statement to you, filed with the previous delayed audit only months ago, I wrote of a company that had been brought to a standstill and had contemplated administration on more than one occasion. I am glad that this statement, coming so soon after, can be of a different character altogether.

None of this would have been possible without the patience of our shareholders, many of whom have waited through a long suspension with remarkable forbearance, and without the backing of RMD Group and Grand Chief Ron Derrickson, whose support arrived when it mattered most. I thank them, my fellow Directors, our small team and our expert advisers.

I would also like to recognise the efforts of Spark Advisory Partners, in particular in helping us all over the past months, it has made a very significant difference in our prospects, as well as the willingness of the FCA to recognise the effort and investment made at Pennpetro since October 2025, as the FCA allows the Company reasonable time to pursue our RTO process, and continuing efforts to ensure that the Company succeeds in returning to trading and we believe, developing into a successful Company shareholders can be proud of.

The rescue phase is complete. The rebuilding phase is far advanced. What remains — your Company's return to trading and the delivery of a transaction worthy of shareholders' loyalty — is now squarely in view, and the Board intends to pursue it without pause.

Richard Spinks
Executive Chairman
31 July 2026

Strategic Report

The directors of Pennpetro Energy Plc ("Directors") present their strategic report on the group for the year ended 31 March 2026.

Principal Activities

The principal activity and purpose of the Group is to focus on developing strategic traditional and transition energy sector projects. The Board ensures that the Company's strategy, operational activities, and governance framework are aligned with this purpose and directed toward the creation and preservation of long-term value for shareholders, while having regard to wider stakeholder interests. Pennpetro Energy Plc acts as a holding company and provides direction and other services to its subsidiaries.

Strategic Approach

The Board's strategic intent is to maximise shareholder value through the continuing investment into developing strategic traditional and transition energy projects.

Review of Business

The year under review represented a period of decisive restructuring and renewal for Pennpetro Energy Plc. Following the suspension of trading in the Company's shares, the Board prioritised restoring compliance, strengthening governance and stabilising the Company's financial position.

Short term funding has been secured for the Company through Convertible Loan Notes, enabling the settlement of outstanding creditors and supporting the Company through its transition. With compliance restored, and engagement with advisers and regulators ongoing, the Company is focused on progressing its application for a return to trading of its currently suspended shares and advancing plans to secure longer term financing and operational development to deliver sustainable shareholder value and growth over the long term.

Financial Performance Review

The profit of the Group for the year ended 31 March 2026 amounts to $4,076,123 (year ended 31 March 2025: loss of $1,717,113). Included within the profit is a gain on the disposal of Pennpetro USA Corp and its subsidiaries (Nobel Petroleum USA Inc. and Nobel Petroleum LLC) of $5,393,879. Further details of this are given in note 25.

The Board monitors the activities and overall performance of the Group on a regular basis by reference to certain key milestones. The main Key Performance Indicators ("KPIs") for the Group are as follows:

KPIs	**2026** **$**	**2025** **$**
Net cash flows from operating activities	(616,174)	(814,669)
Cash and short-term investments	40,433	101,852

Participation in well drilling programmes are monitored on an individual project basis in terms of revenue and cost per barrel of oil or Mcf (one thousand cubic feet) of gas, together with the anticipated payback period on each project.

Board diversity

Although the Board consists of six male Directors, the Board supports diversity in the boardroom. Aside from the Directors, there are no employees in the Company. The Board will pursue an equal opportunity policy and seek to employ those persons most suitable to delivering value for the Company.

Corporate responsibility

The Group operates a management system that embodies Environmental, Health, Safety and Social Responsibility principles.

A number of objectives have been set by the Board to address these principles, and the Chief Executive Officer is responsible for demonstrating to the Board that these principles are adhered to in its operations, wherever they may be.

The policy of the Board of Pennpetro is to be fully accountable for the necessary practices, procedures and means being in place so as to ensure that each objective is demonstrated and that continuous improvement practices are operating to ensure that the required practices, procedures and means are being monitored, refined and optimised as necessary.

The objectives of the Environmental, Health, Safety and Social Responsibility Policy include:

- The Group shall manage all operations in a manner that protects the environment and the health and safety of employees, third parties and the community.

- Risk identification, assessment and prioritisation can reduce risk and mitigate hazards to employees, third parties, the community and the environment. Management of risk is a continuous process.

- The use of internationally recognised standards, procedures and specifications for design, construction and commissioning activities are essential for achieving operational excellence.

- The minimisation of environmental risks and liabilities are integral parts of the Group's operations.

- Third parties who provide materials and services or operate facilities on the Group's behalf have an impact on Environmental, Health and Safety and Social Responsibility excellence. It is essential that third-party services are provided in a manner consistent with the Group's Policy.

- Preparedness and planning for emergencies are essential to ensuring that all necessary actions are taken if an incident occurs, to protect employees, third parties, the public, the environment, the assets and brand of Pennpetro.

- Open and honest communication with the communities, authorities and stakeholders with which the Group operates builds confidence and trust in the integrity of Pennpetro.

The Group has determined that the greenhouse gas emissions from the operations of the Company and its subsidiaries are sufficiently low that it does not have responsibility to produce the disclosures required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. This is because the Group had no operating activities during the current or prior period, resulting in nil or negligible greenhouse gas emissions.

During the year to 31 March 2026, the Company did not carry on any operational activities and there have been no breaches of any applicable Acts recorded against the Group during the reporting period.

Task Force on Climate-related Financial Disclosures (TCFD)

This section of the report sets out our climate-related disclosures in relation to the four pillars of the TCFD framework; Governance, Strategy, Risk Mitigation and Metrics & Targets.

Governance

The Board of Directors is responsible for oversight of climate related risks and opportunities – refer to the principal risk exposure on climate related matters on page 9. Climate related risks and opportunities are reviewed each six months.

Strategy

The Group currently has no operating oil and gas assets, following the disposal of its former US subsidiary during the year (see the Strategic Report and Note 27), and therefore has no direct climate-related operational exposure at present. The Board remains cognisant of the impact of climate change issues prevailing within the petroleum industry and energy sector more broadly and will assess climate-related risks specific to any future asset acquisitions as part of its due diligence process.

The Group's strategic focus is the completion of a reverse takeover to acquire new energy assets, principally the proposed acquisition of an interest in the Limnytska oil and gas licence in western Ukraine. Climate-related risks and opportunities specific to that or any other proposed transaction will be assessed as part of the Board's due diligence and reported on in line with the TCFD framework as the transaction progresses.

The Board has considered the resilience of the Company's strategy under different climate-related scenarios, including a scenario consistent with limiting global warming to 2°C or below. Given the Group's current absence of any operating assets, direct transition risk exposure is presently minimal. However, the Board recognises that longer-term regulatory changes, carbon pricing mechanisms, and shifts in energy demand could affect the sector once new assets are acquired.

The new Board includes directors with a long and strong background in the environmental sector and Indigenous connections, to whom the environment is a key feature of their belief system and their investment and management process. The Company takes the environmental impacts of its activities very seriously and makes decisions with a significant level of awareness of the environmental impact of its decisions.

Risk Management

The Board of Directors is responsible for identifying and assessing climate related risks. Although there is currently no formal process for this, the Board is developing one with the support of RMD Group, which has significant holdings in a number of sustainable energy companies which will ensure that as the Group's activities are expected to increase in the coming years, Pennpetro will always be mindful of and aligned with the evolving environmental best practices in industries it touches.

As the Group currently has no operating assets, no significant physical environmental risks have been identified in the year under review. The Board will consider physical climate-related risks as part of its due diligence on any future asset acquisitions.

The Directors will monitor the regulatory requirements applicable to any future assets acquired by the Group, on both a jurisdictional and international perspective, such that the Company can be pro-active in complying with applicable climate-related and environmental requirements.

Metrics and Targets

The Group currently has no operating assets and hence no material climate-related metrics to report for the year under review. The Directors will develop climate-related metrics and targets appropriate to the scale and nature of the Group's operations once a new transaction completes. Given the current situation, the Company has adopted a 'comply or explain' provision in responding to climate-related metrics.

The Directors have assessed there to be limited Scope 1, Scope 2, and Scope 3 emissions from the Group's administrative and operational activities; Scope 3 emissions relating to the supply chain have not yet been evaluated largely due to the fact that there was no supply chain in the reporting period.

The Group did not generate any Scope 2 emissions during the year, as it did not consume purchased energy in its operations.

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term. We explain in this annual report, and referenced herein, how the Board engages with stakeholders.

Promotion of the Company for the benefit of the members as a whole

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

The Company is quoted on the London Stock Exchange, and its members will be fully aware, through detailed announcements, shareholder meetings, online discussion sessions and regulatory financial communications, of the Board's broad and specific intentions and the rationale for its decisions. The application of the s172 requirements is demonstrated throughout this report and the financial statements as a whole, with the following examples representing some of the key decisions made in this reporting period and up to the date of approval of these financial statements:

The likely consequences of any decision in the long term

The application of the Section 172(1) requirements can be demonstrated in relation to some of the key decisions made during the reporting period, including:

- Renegotiation of strategic transactions and liabilities
- Focus on developing strategic energy projects
- Strengthening financial governance and management
- Improving communications with shareholders and stakeholders

The need to act fairly between members of the Company

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy over the long-term, taking into consideration the impact on stakeholders. The Directors believe they have acted in the way they consider most likely to promote the success of the Company for the benefit of its members as a whole.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with key private shareholders, analysts, and brokers, providing the opportunity to discuss issues and provide feedback at meetings with the Company. All shareholders are encouraged to attend the Company's Annual General Meeting and any general meetings held by the Company, as well as regularly organised online Q and A sessions (5 have taken place since the board restructuring in Q4:2025).

The desirability of the Company maintaining a reputation for high standards of business conduct

The Board periodically reviews and approves clear frameworks to ensure that its high standard is maintained both within the Group and the business relationships we maintain. This, complemented by the various ways the Board is informed and monitors compliance with relevant governance standards, help ensure its decisions are taken and that the Group acts in ways that promote high standards of business conduct. At Pennpetro this is an all the more necessary focus to ensure that confidence be restored in the Company given the less than satisfactory behaviour in this regard by former directors at Pennpetro.

The interests of the Company's employees

The Company had no employees during the year. Accordingly, the Directors did not have any matters to consider in respect of the interests of employees when performing their duties under section 172(1) of the Companies Act 2006. The Board keeps the Company's resourcing requirements under review and will give due consideration to employee interest should staff be engaged in the future.

The fostering of relationships with suppliers, customers and others

Delivering on our strategy requires strong mutually beneficial relationships with partners, customers and suppliers. The Group values all of its suppliers and aims to build strong positive relationships through open communication and adherence to option agreement terms. The Group is committed to being a responsible entity and doing the right thing for its suppliers and business partners.

The impact of the Company's operations on the community and the environment

The Group is committed to the highest environmental, social and governance standards both internally and externally with its partners. The Company is committed to being a responsible entity in terms of the community and the wider environment. As a Company focused on developing oil projects internationally, the Board takes seriously its ethical responsibilities to the communities and environments in which it operates. We abide by the local and relevant UK laws on anti-corruption & bribery.

Conclusion

Having considered the matter set out above, the Directors are satisfied that they have fulfilled their duty under section 172(1) of the Companies Act 2006 to act in good faith in a manner most likely to promote the success of the Company for the benefit of its members as a whole.

Principal Risks and Uncertainties

The Group's activities expose it to a variety of risks and uncertainties.

Financing and liquidity risk

The Group is dependent on external funding to meet its working capital requirements, settle creditor balances, and progress its strategic objectives. At the reporting date, the Group has limited cash resources and remains reliant on future equity fundraisings, debt restructuring, and asset transactions. There is no certainty that additional funding will be available.

Failure to secure sufficient funding in a timely manner could result in an inability to meet liabilities as they fall due, delays to operational plans, loss of key assets, or further dilution for shareholders. The Board actively monitors short-term cash flow forecasts, engages with existing creditors regarding restructuring options, and evaluates potential funding alternatives.

The Group has outstanding Convertible Loan Notes ("CLNs") issued by the Company: CLN1 of £250,000 (24 September 2025), CLN2 of £250,000 (24 January 2026) and CLN3 of £325,000 (30 April 2026), being £825,000 in aggregate, which may, depending on future events, require repayment in cash if not converted into equity. A further CLN4, of up to £500,000, is likely to be required in the near term to support the Group's continuing working capital needs. This is actively monitored as part of the Group's liquidity management.

If required, the Board will take appropriate mitigating actions, including deferral of discretionary expenditure, renegotiation of payment terms, and prioritisation of essential costs.

The Company's Directors are paid in the majority of their remuneration by 'fully paid up shares' accrued against their service and subject to certain resolutions as yet not passed by shareholders. In the event that shareholders do not resolve to pass the resolutions necessary for the Company to pay remuneration to directors by way of shares, then the Company still has the obligation to pay its Board in cash as an alternative.

Regulatory status and return to trading

The Company's shares have been suspended from trading on the London Stock Exchange since 1 August 2024. The Financial Conduct Authority has confirmed that grounds currently exist for it to cancel the Company's listing and has reserved the right to exercise that power at any time; it has, however, agreed to put that decision on hold and to allow the Company a reasonable period to pursue its proposed reverse takeover while the listing remains suspended, without this being any guarantee as to the outcome.

The Company's own stated position, communicated to the FCA, is that it does not intend to seek a restoration of its existing listing but instead to cancel that listing and seek fresh admission of its shares under the UK Listing Rules applicable to operating companies (UKLR 5) once the reverse takeover completes.

There can accordingly be no certainty that the Company's listing will not be cancelled before that process completes, or that any future application — whether for restoration of the existing listing or for admission of the Company's shares following the reverse takeover — will be granted. Pursuing that reverse takeover and bringing a Prospectus and reverse takeover strategy to shareholders in the shortest possible timeframe, is accordingly the Board's principal priority and focus.

Market risk

The Group may operate in an international market for hydrocarbons, among others including environmentally sustainable transition energy markets, and is exposed to risk arising from variations in the demand for and price of energy. Energy prices historically have fluctuated widely and are affected by numerous factors over which the Group does not have any control, including world production levels, international economic trends, currency exchange fluctuations, inflation, speculative activity, consumption patterns and global or regional political events. The Group will consider hedging against the risks of fluctuating energy prices and currency exchange once commercial production recommences.

Environmental risk

The Group’s operations are subject to environmental regulation in all the jurisdictions in which it operates. The Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would adversely affect the Group’s operations. There can be no assurance that such new environmental legislation once implemented will not oblige the Group to incur significant expenses and undertake significant investments. The Group identifies, assesses and prioritises environmental risks on an ongoing basis, as part of its management system. To partially deal with these uncertainties the Company does not include carbon or emissions benefit scheme related revenues, subsidies or grants in its financial modelling and will only report received revenues from such sources post-receipt, where they are already received and risk has therefore been mitigated.

Audit opinion and historical financial records

The Group's audit report for the year under review, and for the two preceding years, has carried a disclaimer of opinion, arising from the state of the Company's books and records maintained under previous management, including gaps in the records of certain subsidiaries and the loss of the Company's Company Secretary and financial controller in April 2024. The Financial Conduct Authority has asked the Company to demonstrate a clean, disclaimer-free reporting position ahead of any return to trading. The Board intends to commission audited interim accounts for the period from 1 April to 30 June 2026 — the first period wholly under the stewardship of the current Board — which the Directors expect to be free of such disclaimers.

There is no certainty that this exercise will achieve that outcome.

Completion and valuation of the proposed reverse takeover

The Company's strategy is centred on completing a reverse takeover, principally the proposed acquisition of an interest, of up to 100%, in the Limnytska oil and gas licence in western Ukraine. Completion of this, and of any other proposed transaction, is subject to due diligence, definitive contractual terms, funding, regulatory approvals (including publication of a prospectus where required) and shareholder approval, and there can be no certainty that any such transaction will complete on the terms currently contemplated, or at all. Any indicative valuation of the proposed transaction is dependent in part on a Competent Person's Report which has been initiated, but has not been finalised as at the date of this report.

Shell company status and listing category

Following the disposal of its remaining US interests, the Company became a shell company for the purposes of the UK Listing Rules with effect from 5 June 2026.

UKLR 13.2.3G generally allows a twelve-month grace period from that date — in this case on or around 5 June 2027 — within which a shell company must either comply with the eligibility requirements for transfer to the Equity Shares (Shell Companies) category, or otherwise resolve its listing status, including by completing a reverse takeover. The Board's intention is that the proposed reverse takeover will be completed within that period, following which the Company intends to seek cancellation of its existing listing and admission of its shares under UKLR 5 as an operating company, rather than transfer to the shell companies category; the Company has undertaken to engage with the FCA in advance should it become apparent that this timetable will not be met. There can be no certainty that the reverse takeover will complete within the available period, or that the FCA will grant any application the Company may make in connection with it.

Historical accounts and secretarial arrangements

The FCA has raised questions as to whether financial periods prior to those already the subject of a disclaimer of opinion may also have been affected by the record-keeping and secretarial deficiencies identified under previous management.

The Company has undertaken an initial internal review of these matters and has discussed its scope and conclusions with the FCA. The Board considers that a more extensive historical investigation would be disproportionately costly, and unlikely, given the limited information now available, to produce a materially different outcome, and Spark continues to engage with the FCA, on behalf of the Company on this basis.

There can be no certainty that the FCA will accept this position.

Share register, beneficial ownership and dilution

The Company intends to rely on the non-cash consideration exemption under the Companies Act 2006 to resolve (part of) it's outstanding obligations to issue shares relating to certain contributed shares, supported by an independent valuation which has not been finalised as at the date of this report. The FCA insisted on the Company seeking external, independent opinion from Legal Counsel in this respect. The Company complied and engaged Erskine Chambers, a leading firm of London barristers for this purpose. The opinion was received by the Company on July 21st 2026, confirming that the non-cash consideration applies for certain contributed shares

The resolution of the Company's obligation to issue shares in relation to the previously contributed shares will affect the number of shares in issue and the resulting dilution of existing shareholders, although the dilution already found its origin in the past when the share contribution transactions were concluded.

The Company is at the date of drafting of this report, a co-defendant in ongoing litigation relating to the beneficial ownership of certain shares, in which a claimant has sought to add the Company as an additional defendant to proceedings against other parties.

The Board's view is that this addition is a cynical attempt to add weight to the claimant's own arguments against the other defendants, rather than a genuine claim against the Company, and that the claim against the Company has no real prospect of succeeding. Should the court decided that the shareholders register should be corrected, then the Company will comply, but it cannot be a party to proceedings about the ownership of shares.

The Company has applied to the court to strike out the claim, with a hearing now listed for 21st August 2026

There can be no certainty as to the outcome or timing of that hearing or the associated litigation, but it should not affect other shareholders

Litigation

The Company is at the date of drafting of this report, a defendant in ongoing litigation relating to its historic share register, in which a claimant has sought to add the Company as an additional defendant to proceedings he had already brought against other parties.

The Board's view is that this addition is a cynical attempt to add weight to the claimant's own arguments against the original defendants, rather than a genuine claim against the Company, and that the claim against the Company has no real prospect of succeeding.

The Company has applied to the court to strike out the claim, with a hearing listed for August 2026, the deadline for the filing of these audited financial statements.

The outcome was not known as at the date of approval of this report, and there can be no certainty as to the outcome or timing of that hearing or the associated litigation.

Immediately upon the outcome becoming known to the Company an RNS will be issued. As the timing of the hearing and publishing of this report overlap it is possible that this paragraph may be superseded.

Global Emerging Markets (GEM) settlement

The Company under former management previously arranged a £20,000,000 credit facility with GEM. The Company defaulted under that facility, and GEM brought proceedings against the Company in London, in which judgment was obtained against the Company in respect of an outstanding arrangement fee. The current Board has since agreed amicable settlement terms with GEM and conditional on the Company's return to trading, comprising the issue of shares to GEM to a value of approximately £400,000 around the price prevailing on return to trading, creating an extension of access to the credit facility should the Company wish to use it in future.

There can be no certainty as to the number of shares that will ultimately be issued under this arrangement to settle the funds outstanding which will depend on the share price prevailing at the date of return to trading. There is no visibility today as to whether the ongoing credit line will be used or to what extent either.

This report was approved by the Board on 31 July 2026 and signed on its behalf:

Richard Spinks
Executive Co-Chairman

Directors' Report

The Directors present their Annual Report and the audited Financial Statements for the year ended 31 March 2026.

Organisation Review
The Board is responsible for providing strategic direction for the Group. This incorporates setting out objectives, management policies and performance criteria. The Board assesses its performance against these on a monthly basis.

Composition of the Board at 31 March 2026 was one Executive Director, one Executive Chairman and two Non-Executive Directors.

During the year, Stephen Lunn resigned from the Board on 7 November 2025, Robert Menzel resigned from the Board on 16 March 2026, and Sergiy Lesyk was appointed as a Non-Executive Director on 26 January 2026.

Post year end, on 17 April 2026, Ronald Derrickson was appointed as Non-Executive Co-Chairman of the Company. On 1 May 2026, Justin Fraser Jones was appointed as a Non-Executive Director of the Company. Composition of the Board at the date of signing these financial statements was one Executive Director, one Executive Chairman, and four Non-Executive Directors. The Board believes that the present composition provides an appropriate mix to conduct the Group's affairs.

The Board is responsible for monitoring risks and uncertainties faced by the Group. These risks and uncertainties are detailed in the Strategic Report and note 3 to the financial statements.

The corporate governance arrangement of the Group is disclosed in the Corporate Governance Report.

Directors and Directors' interests
The Directors who held office during the year to the date of approval of these financial statements, together with their beneficial interests in the ordinary shares of the Company, are shown below.

	31 March 2026		31 March 2025	
	Ordinary shares (number)	Share options (number)	Ordinary shares (number)	Share options (number)
Olof Rapp	2,500,000	-	2,500,000	-
Andy Clifford (resigned 25 March 2024)	1,000,000	-	1,000,000	-
Stephen Lunn (resigned 7 November 2025)	1,404	-	1,404	-
Robert Menzel (appointed 21 January 2025, resigned 16 March 2026)	-	-	-	-
Mavriky Kalugin (appointed 16 October 2025)	-	-	-	-
Richard Spinks (appointed 29 October 2025)	-	-	-	-
Sergiy Lesyk (appointed 26 January 2026)	-	-	-	-
Justin Fraser Jones (appointed 1 May 2026)	-	-	-	-
Ronald Derrickson (appointed 17 April 2026)	-	-	-	-

The Directors who held office at 31 March 2026 are summarised as follows:

Name of Director	Position
Richard Spinks	Executive Chairman (appointed 29 October 2025)
Mavriky Kalugin	Executive Director (appointed 16 October 2025)
Sergiy Lesyk	Non-Executive Director (appointed 26 January 2026)
Olof Rapp	Senior Non-Executive Director

Directors' Remuneration

The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of the Directors on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and senior executive team.

The Directors' remuneration and policies for appointment or replacement of directors are disclosed in the Directors' Remuneration Report.

Dividends

The Directors do not recommend the payment of a dividend (2025: $Nil).

Share capital and major shareholdings

The issued share capital of the Company as at 31 March 2026 comprised 112,299,089 shares of 1p (2025: 112,299,089).

The Company has only one class of share capital formed of ordinary shares. All shares forming part of the ordinary share capital have the same rights and each carry one vote.

As at 31 July 2026 the Company had been notified of the following interests in the Company's ordinary share capital:

	Number of shares	Percentage (%)
Hargreaves Lansdown (Nominees) Limited	9,899,411	8.82
Interactive Investor Services Nominees Limited	8,697,695	7. 75
Hargreaves Lansdown (Nominees) Limited	7,558,903	6.73
Hargreaves Lansdown (Nominees) Limited	7,317,390	6.52
Interactive Investor Services Nominees Limited	6,891,873	6.14
Jesse White	6,000,000	5.34
Barclays Direct Investing Nominees Limited	5,434,715	4.84
HSDL Nominees Limited	4,980,290	4.43
Pershing Nominees Limited	4,639,527	4.13
HSDL Nominees Limited	3,875,662	3.45
Interactive Investor Services Nominees Limited	3,672,134	3.27

These interests are before issuing shares owed to shareholders who previously contributed their shares to the Company.

To the best of the Directors' knowledge, no shareholder directly or indirectly exercises, or could exercise, control over the Company.

Going Concern

These financial statements have been prepared on the going concern basis, as set out in Note 2.3.

Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

The Group received no income from oil sales in the year to 31 March 2026, even along with reducing expenditure for the financial year 2027, the forecasts indicate that the Group and Parent Company, in order to meet their operational objectives, and expected liabilities as they fall due, will be required to raise additional funds within the next 12 months.

On 24 September 2025, the Company entered into a convertible loan note agreement to provide the Company with £250,000 for working capital requirements. Another convertible loan note agreement to provide the Company with £250,000 for working capital requirements was entered into on 24 January 2026. A third convertible loan note agreement, for £325,000, was entered into on 30 April 2026. Further details are set out in Note 20. The Board considers it likely that a further convertible loan note, of up to £500,000, will be required, likely from RMD Group, before completion of the proposed reverse takeover, publication of a Prospectus, and return to trading, in order to meet the Group's funding requirements through to that point.

Whilst the Directors are confident that they will secure the necessary funding, the current conditions do indicate the existence of a material uncertainty that may cast significant doubt regarding the applicability of the going concern assumption. The Directors are confident in the Company's ability to raise additional funds as required, from existing and/or new investors, within the next 12 months. Thus, they continue to adopt the going concern basis of accounting preparing these financial statements.

Events after the Reporting Period

See note 30 for details.

Provision of Information to Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditor

The auditor, Crowe U.K. LLP was appointed in accordance with section 485 of the Companies Act 2006 to audit the accounts of Pennpetro Energy Plc for the year ended 31 March 2026.

This report was approved by the board on 31 July 2026 and signed on its behalf:

Richard Spinks
Executive Chairman

As at the date of this report, the following directors held office in the Company:

Olof Nils Anders Rapp, Non-Executive Director

Olof Rapp has vast international experience in the aerospace and automotive sector and has held leading managerial positions with Rolls- Royce International, Volvo Truck Corporation and VistaJet International in South America, Middle East and Asia. His last position at Rolls Royce was as Regional Director, Malaysia, with overall responsibility for Rolls-Royce Plc's business in Malaysia and Brunei (Aviation, Marine, Nuclear and Oil & Gas). Olof serves as a Board Director in Serunai Commerce Sdn Bhd. He has also served as Director of European Chamber of Commerce Malaysia (EuroCham), and Vice President of Swedish Chamber of Commerce Malaysia (SwedCham).

Richard George Spinks, Executive Co-Chairman

Richard, a serial entrepreneur, has 40 years' experience working across sectors including technology, fisheries, agriculture, forestry, and for the past 13 years, renewable energy and decarbonisation fuel product development. He has founded several disruptive companies in traditional industry sectors, held executive and board positions in privately held, and in both US and UK listed entities. Richard works internationally and has deep knowledge ad strong connections, including in Ukraine where he has been active for over 20 years. Richard is multi-lingual and a strong communicator in multiple languages.

Mavriky Anisimovich Kalugin, Chief Executive Officer

Mavriky Kalugin has over 28 years of experience in the oil and gas sector and extensive global expertise in managing upstream and service companies, greenfield and brownfield development, and production optimization. He recently served as Executive Director and COO and Naftogaz Group in Ukraine. Mavriky also works as Deputy Chair for Ukrnafta JSC, and Executive Vice President for production and refining. Previously, Mavriky held senior positions for Petrofac, Cairn India, TNK-BP, ConocoPhillips, and ARCO-Alaska. He has a BSc Chemical Engineering degree from the University of Idaho and is a US citizen, from Alaska.

Sergiy Lesyk, Independent Non-Executive Director

Sergiy Lesyk has over 25 years of experience in the international financial services sector, including wealth management, corporate finance, and investment banking. He is currently Director of Research and Analytics at FTSE Russell, a subsidiary of the London Stock Exchange Group. He previously served as Head of Representative Office at UBS AG, representing the largest Wealth Manager in Ukraine, and Head of Research at Millenium Capital. Sergiy is a chartered certified accountant, having started his career at Price Waterhouse in 1994, and graduating from the London School of Economics.

Ronald Derrickson, Non-Executive Co-Chairman

Grand Chief Derrickson is the Owner and President of RMD Group, and a leading, highly successful Indigenous entrepreneur known across Canada and the United States for his leadership in Indigenous economic development and protection of Indigenous Rights.

RMD Group is Pennpetro's Convertible Loan Note lender and the appointee of two Board Directors along with behind the vendor-side counterparty in the proposed Limnytska licence.

After being elected Chief of Westbank First Nation in 1976. He served as Chief of the Westbank First Nation from 1976 to 1986 and from 1996 to 1998, taking his community from an indebted People with limited prospects to one of Canada's most successful Indigenous Bands, with an annual GDP of over c.$1billion today, and one of the fastest growing communities in British Columbia and Canada.

Ron was honoured by his peers and elected unanimously by the Union of BC Indian Chiefs in 2012 as Grand Chief for Life, in recognition of his service to his People.

He has been a lifelong defender of the rights of Indigenous People and was responsible for succeeding in gaining forestry rights, Canada-wide for Indigenous Peoples where prior, there were none. His relationships are incredibly valuable when resources and Indigenous involvement are present too, through his involvement Pennpetro is evaluating unique opportunities and exploring new economic models for resource development in Canada.

Ron is also an award-winning author, working on his seventh book to date, and a philanthropist providing among other valuable programs, scholarships, providing education to Indigenous students who otherwise would not enjoy the opportunities that some take for granted, reversing his own personal experiences as a young Indigenous man growing up.

Justin Fraser Jones, Non-Executive Director

Justin Fraser Jones was appointed to the Board in 2026, and is a Chartered Management Institute qualified senior leader with over 30 years' experience in governance, risk management, regulatory compliance, financial oversight and strategic delivery, with deep expertise in forensic investigation, financial crime and board-level advisory services.

Mr Jones is a former Detective Chief Inspector and Senior Investigating Officer with Hertfordshire Constabulary (1982 to 2012), where he led major investigations into serious, organised crime, money laundering and fraud, with full accountability for governance, evidence integrity, risk management and regulatory compliance. He holds specialist expertise in anti-money laundering, the Regulation of Investigatory Powers, Human Rights legislation and data protection, and was awarded both a Judge's Commendation and a Chief Constable's Commendation during his service.
Since leaving the police service, Mr Jones has built a portfolio of board and consultancy roles.

He is currently a director and shareholder of Deuce Consultancy Limited, through which he provides forensic investigation, strategic advisory and corporate governance services to commercial clients

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws and regulations.

Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the applicable UK adopted international accounting standards have been followed subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

Directors' Responsibility pursuant to DTR4

Each of the Directors whose names and functions are listed on page 2 confirm that, to the best of their knowledge and belief:

- The Financial Statements give a true and fair view of the assets, liabilities, financial position and loss of the Group and Company; and
- The Annual Report and Financial Statements, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

This statement was approved by the board on 31 July 2026 and signed on its behalf:

Richard Spinks
Executive Chairman

Corporate Governance Practices

Pennpetro Energy plc's ordinary shares are listed on the London Stock Exchange in the Equity Shares (Transition) category and is thus not required to comply with the requirements of the U.K. Corporate Governance Code ("the Code") as issued by the Financial Reporting Council. The disclosures below are required by the UKLA's Disclosure and Transparency Rule 7.

The Board is committed to ensuring the highest standards of corporate governance, and voluntarily complies with, subject to the exceptions listed below, the supporting principles and provisions set out in the Code.

The Company is small with no current resource base following the disposal of its US subsidiaries in March of 2026, within this reporting period.

The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the Company.

Section 1: Board Leadership and Company Purpose

The Company's purpose is to focus on developing strategic traditional and transition energy projects. The Board ensures that the Company's strategy, operational objectives, and governance framework are aligned with this purpose.

The Board determines the strategic objectives of the Company and oversees their implementation with a focus on long-term value generation and preservation.

The Board reviews opportunities and risks to the future success of the Company through regular Board Meetings. The Board usually meets a minimum of four times per year but may meet more frequently on an ad-hoc basis as and when required. The Chairman is ultimately responsible for ensuring that each board decision is taken having sufficient information on and with all due discussion as is relevant to such discussion.

Culture underpins the delivery of strategy and long-term success. The Board monitors and assesses culture through

- Review of operational performance and conduct;
- Oversight of regulatory compliance;
- Consideration of stakeholder feedback; and
- Review of adherence to expected standards of behaviour.

The Board takes corrective action where behaviours or practices are not aligned with the Company's values or governance expectations.

During the year to 31 March 2026, no resolutions received 20% or more of votes cast against the Board's recommendation.

The Board has procedures in place to identify and manage conflicts of interest. The Board is aware of the other commitments and interests of its Directors and changes to these commitments and interests are report to, and, where appropriate, agreed with the rest of the Board. Declared interests are recorded in the minutes.

All Directors have made a declaration as to their other activities, directorships and shareholdings and have declared formally any existing conflicts of interest.

Section 2: Division of Responsibilities

The Group has a schedule of matters reserved for its own decision and two committees comprised of

Non-Executive Directors: The Audit Committee and the Remuneration Committee, each with delegated duties and responsibilities set out in respective Terms of Reference.

The division of responsibilities between the Chairman and the Chief Executive Officer is clearly defined, however, they work closely together to ensure effective decision making and successful delivery of the Group's strategy.

During the year, the Board held 6 meetings. Attendance was as follows:

Director	Meetings Attended	Meetings Eligible
Olof Rapp	6	6
Stephen Lunn	4	4
Robert Menzel	5	6
Richard Spinks	3	3
Mavriky Kalugin	3	3
Sergiy Lesyk	1	1
Ronald Derrickson	-	-
Justin Jones	-	-

Section 3: Composition, Succession and Evaluation

During the year, the Board comprised of one Executive Director, one Executive Chairman and two Non-Executive Directors. Directors stand for election at the first Annual General Meeting ("AGM") following their appointment by the Board. One-third of the Board are to retire annually and be re-elected after this. Provision 18 of the UK Corporate Governance Code asks that directors are re-elected annually, however the Company has not adopted this Provision.

The Board has established an Audit Committee and a Remuneration Committee; each currently comprises two members. The Code recommends that a small company Audit Committee and Remuneration Committee should have at least two members and the Company complies.

The Board has significant experience in the oil and gas and transition energy sectors and from that, a strong network of individuals working in the sector. The Board leads the process for Board appointments and is responsible for review of the Board size, structure, and composition (both executive and non-executive) including any potential new applicants to ensure the Board contains the right balance of skills, knowledge, and experience to manage and grow the business.

The Board does not carry out a formal annual evaluation of its performance, its committees, the Chairman, and individual Directors, which is contrary to the recommendation of Code Provision 21. However, the Chairman continuously considers the performance of the Board, its committees and of individual directors on an ongoing basis and provides feedback when appropriate.

The Board considers the time and cost involved in carrying out a formal process, especially one that is externally facilitated, cannot be justified for the Company at this stage in its development. Nonetheless, the Board acknowledges the merits in carrying out formal board evaluations and will monitor the continuing suitability of this stance as the Company grows in size.

Section 4: Audit, Risk and Internal Control

The Audit Committee currently comprises Sergiy Lesyk (Chair) and Olof Rapp in accordance with the Code, which recommends that a small company Audit Committee should have at least two members. Committee composition will be reviewed as the Company develops.

The Board considers both principal and emerging risks as part of its ongoing risk review process. Emerging risks are identified through:

- Regular Board discussions;
- Engagement with advisers;
- Monitoring regulatory and industry developments; and
- Assessment of operational and environmental developments.

Where emerging risks are identified, the Board evaluates their potential impact and likelihood and implements mitigating actions, which may include operational controls, insurance, contractual protections or strategic adjustments.

The Board is responsible for the Company's risk management and internal control systems. The Board monitors these systems on an ongoing basis and has conducted an internal review post year end.

Section 5: Remuneration

The Remuneration Committee currently comprises Sergiy Lesyk (Chair) and Olof Rapp. During the year, the Remuneration Committee:

- Reviewed directors' remuneration arrangements;
- Assessed the appropriateness of directors' fees in light of the Company's size, performance, and financial position; and
- Considered market comparators where appropriate.

The Committee ensures that remuneration arrangements support the long-term success of the Company and do not encourage excessive risk-taking.

As the Company is in a transition stage, the use of traditional performance standards, such. as corporate profitability, is not considered to be appropriate in the evaluation of corporate or directors' performance. Discretionary bonuses may be paid to aid staff retention and reward performance. The Board considers that the remuneration policy has operated as intended in terms of Company performance and quantum.

Provisions not applied

The following describes the ways in which the Company does not comply with the detailed provisions of the Code and the Board's rationale thereon:

- the Board has considered the requirement to prepare a viability statement. As the Group is in the early stages of establishing operations and has not yet achieved a stable revenue base, the Board does not consider it appropriate to provide a viability statement this year. This position will be reviewed annually, and a viability statement will be prepared once operations and revenue generation have reached a stable and sustainable level. Further details regarding the Group's assessment of going concern are provided in note 2.3 of these financial statements;

- the Board as a whole reviews audit and risk matters in accordance with adopted terms of reference which govern the matters to be reviewed and the frequency with which such matters are considered. The Board is responsible for the appointment of auditors and approval of their remuneration, monitors and reviews the integrity of the Company's financial statements, and takes responsibility for any formal announcements on the Company's financial performance;

- the Board as a whole will be responsible for the appointment of executive and non-executive Directors. The Company does not currently believe it is necessary to have a separate nominations committee at this time. The requirement for a nominations committee will be considered on an ongoing basis;

- the Board believes in the benefits of diversity, including the need for diversity in order to effectively represent shareholders' interests. This diversity is not restricted to gender but also includes geographic location, nationality, skills, age, educational and professional background. The board's policy remains that selection should be based on the best person for the role;

- the Board as a whole will consider the Board's size, structure and composition and the scale and structure of the Directors' fees, taking into account the interests of Shareholders and the performance of the Company;

- the Board does not comply with the provision of the Corporate Governance Code that at least half of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be sufficiently independent;

- the Company has in place procedures ensuring compliance with the new Market Abuse Regulation and the Board will be responsible for taking all proper and reasonable steps to ensure compliance with the Market Abuse Regulation by the Directors; and

- the Board did not carry out a review of the effectiveness of the Company's risk management and controls; however, this has been carried out after the year end.

The Board of Directors

As at 31 March 2026, the Board of Directors comprised four members: one Executive Director, one Executive Chairman and two Non-Executive Directors. The Executive Chairman and Executive Director have a wealth of experience analytically covering the oil and gas and transition energy industries. Similarly, the Non-Executive Directors have extensive corporate and financial experience. Since the year end, two additional Non-Executive Directors have been appointed.

The Company has adopted an internal policy of regular face to face meetings in which all Board members discuss any issues as and when they arise in relation to the Board or any individual member's performance.

Board Meetings

The Board ordinarily meets bi-monthly and as and when further required, providing effective leadership and overall management of the Group's affairs by reference to those matters reserved for its decision. This includes the approval of the budget and business plan, major capital expenditure, acquisitions and disposals, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the Directors, in a timely manner, prior to the Board meetings. Board meetings were mostly held telephonically.

Internal Controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the year and ongoing. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented, since October of 2025. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future developments of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates on the Company website. The Board views the Annual General Meeting as a forum for communication between the Group and its shareholders and encourages their participation in its agenda. Since October, 2025, the Company has organised additional regular online Q and A sessions inviting shareholders to discuss their concerns or questions with the Company.

Richard Spinks
Executive Chairman

Directors' Remuneration Report

Annual statement

In the year ended 31 March 2026, no major changes were made to the Directors' Remuneration Policies.

The Company's Remuneration Committee operates within the terms of reference approved by the Board. The Remuneration Committee comprised two Directors, Sergiy Lesyk (Chair of the Remuneration Committee) and Olof Rapp. In the year to 31 March 2026, the Remuneration Committee documented one review.

The items included in this report are unaudited unless otherwise stated.

Committee's main responsibilities

- The Remuneration Committee considers the remuneration policy, employment terms and remuneration of the Executive Directors;
- The Remuneration Committee's role is advisory in nature and it makes recommendations to the Board on the overall remuneration package for the Executive Directors in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives;
- The Remuneration Committee also reviews proposals for any share option plans and other incentive plans, makes recommendations for the grant of awards under such plans as well as approving the terms of any performance-related pay schemes;
- The Board's policy is to remunerate the Company's executives fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel; and
- The Remuneration Committee, when considering the remuneration packages of the Company's executives, will review the policies of comparable companies in the industry.

Directors' remuneration (audited)

Fees and benefits of $457,783 were payable to Directors who held office during the year ended 31 March 2026 (2025: $421,367).

	Salary $	Valuation of options $	Taxable benefits $	Other receipts received $	Pension benefits $	2026 Total $
Olof Rapp	80,413	-	-	-	-	80,413
David Lenigas	-	-	-	-	-	-
Thomas Evans	-	-	-	-	-	-
Stephen Lunn	160,827	-	-	-	-	160,827
Robert Menzel	160,827	-	-	-	-	160,827
Richard Spinks	20,103	-	-	-	-	20,103
Sergiy Lesyk	15,510	-	-	-	-	15,510
Mavriky Kalugin	20,103	-	-	-	-	20,103
	457,783	**-**	**-**	**-**	**-**	**457,783**

	Salary $	Valuation of options $	Taxable benefits $	Other receipts received $	Pension benefits $	2025 Total $
Olof Rapp	57,402	-	-	-	-	57,402
David Lenigas	84,263	-	-	-	-	84,263
Thomas Evans	123,840	-	-	-	3,428	127,268

Stephen Lunn	89,292	-	-	-	-	89,292
Robert Menzel	63,142	-	-	-	-	63,142
	417,939	**-**	**-**	**-**	**3,428**	**421,367**

The Directors' remuneration is disclosed in full in the above table and is not linked to performance. All current Directors' service contracts are kept available for inspection at the Company's registered office.

All shares and interests held by the Directors are disclosed in the Directors' report.

Total pension entitlements (audited)

The Company currently does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration.

The Company has not paid out any excess retirement benefits to any Directors or past Directors.

Payments to past directors (audited)

The Company has not paid any compensation to past Directors.

Payments for loss of office (audited)

No payments were made for loss of office during the year.

Directors' interests in share warrants (audited)

None of the Directors had interests in share warrants.

Consideration of shareholder views

The Remuneration Committee considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's periodic reviews of its policy on remuneration.

Statement of policy on Directors' remuneration

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and Senior Executives of the highest calibre who can contribute their experience to deliver industry leading performance with the Company's operations. Currently Director's remuneration is not subject to specific performance targets.

In the future, the Company may introduce a remuneration policy that aligns Executive compensation with corporate and individual performance. This policy aims to align the interests of Directors with those of shareholders and incentivize them to excel. The Remuneration Committee reviews the remuneration policy and employment terms for Directors, making recommendations to the Board of Directors for the overall remuneration packages. No Director participates in any decision directly affecting their own remuneration.

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, the individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Policy on payment for loss of office

Payment for loss of office would be determined by the Remuneration Committee, taking into account contractual obligations.

Other matters

The Company does not currently have any annual or long-term incentive schemes in place for any of the Directors and as such there are no disclosures in this respect.

Olof Rapp
Non-Executive Director

Olof Rapp

Audit Committee Report

The Audit Committee comprised two Directors, Sergiy Lesyk (Chair of the Audit Committee) and Olof Rapp. The Audit Committee oversees the Company's financial reporting and internal controls and provides a formal reporting link with the external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly report remains with the Board.

Main Responsibilities

The Audit Committee acts as a preparatory body for discharging the Board's responsibilities in a wide range of financial matters, with terms of reference including:

- monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance;
- reviewing significant financial reporting issues, accounting policies and disclosures in financial reports, which are considered to be in accordance with the key audit matters identified by the external auditors;
- overseeing that an effective system of internal control and risk management systems are maintained;
- ensuring that an effective whistleblowing, anti-fraud and bribery procedures are in place;
- overseeing the Board's relationship with the external auditor and, where appropriate, the selection of new external auditors;
- approving non-audit services provided by accounting firms; and
- ensuring compliance with legal requirements, accounting standards and the Listing Rules and the Disclosure and Transparency Rules.

Significant issues considered in relation to the financial statements

The most significant issue the Committee considered during the year was the disclaimer of opinion carried by the Group's audit report, for the third consecutive year, arising from gaps in the Company's books and records under previous management rather than matters relating to the current financial year. The Committee discussed the legacy causes of the disclaimer with the external auditor and is satisfied that the underlying issues relate to historic record-keeping rather than the current control environment. Since the year end, the Board has resolved to procure audited interim accounts for the period from 1 April to 30 June 2026 — the first period wholly under the current Board — which the Directors expect to be free of such disclaimers, with a view to demonstrating a clean, disclaimer-free reporting position going forward. There is no certainty that this exercise will achieve that outcome.

Governance

The Code requires that at least one member of the Audit Committee has recent and relevant financial experience. Both directors have served in financial executive and managing director roles. As a result, the Board is satisfied that the Audit Committee has recent and relevant financial experience.

Members of the Audit Committee are appointed by the Board and whilst shareholders, the Company believes they are considered to be independent in both character and judgement.

The Company's external auditor, Crowe U.K. LLP, did not provide any non-audit services in the period.

The Audit Committee believes that the Company does not require an internal audit function due to the current size of the organisation and its operations.

Meetings

In the year to 31 March 2026 the two members of the Audit Committee have met once. The key work to be undertaken by the Audit Committee is as follows;

- interview of external auditors and recommendation to the Board;

- review of audit planning and update on relevant accounting developments;
- consideration and approval of the risk management framework, appropriateness of key performance indicators;
- consideration and review of full-year results;
- review of the effectiveness of the Audit Committee; and
- review of internal controls.
- The Code states that the Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment or removal of the external auditor.

External auditor

The Audit Committee appointed Crowe U.K. LLP as auditors to the Company, commencing with the first audit for the year ended 31 December 2018. The external auditor has unrestricted access to the Audit Committee Chairman. The Committee is satisfied that Crowe U.K. LLP has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained.

The external auditors report to the Audit Committee annually on their independence from the Company. In accordance with professional standards, the partner responsible for the audit is changed every five years.

Olof Rapp
Non-Executive Director

Olof Rapp

Independent auditor's report to the members of Pennpetro Energy Plc

Disclaimer of opinion

We were engaged to audit the financial statements of Pennpetro Energy plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements and of Cash Flows and notes to the financial statements, including a summary of material accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards.

We do not express an opinion on the accompanying Group and Parent Company financial statements. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The disclaimer of opinion arises as a result of the following matters:

1. Severe limitations over the evidence available for the audit of the Group entities, including for the main operating subsidiaries which are incorporated in the United States of America. Due to the death of the individual acting as Company Secretary and financial controller in April 2024 and changes to the board there was a significant loss of financial information during the year ended 31 March 2024 which the company has been unable to reinstate. The matters outlined below are the consequences of these circumstances for matters during the year ended 31 March 2026.

We were unable to obtain sufficient appropriate audit evidence over the following balances and transactions in the prior year, and as such do not have appropriate evidence over the opening balances to which these relate:

- A share lending transaction involving some previous directors. The value of this transaction was $425,617.

2. In addition to the matter in connection with the opening balances, we have not been able to perform a review of management override of controls through the conduct of journal entry testing for some subsidiaries in the Group. This has occurred due to the absence of complete general ledgers which also agree to the individual trial balances as of the year end. We were not provided general ledgers for the subsidiary companies; Pennpetro USA Corp, Nobel Petroleum LLC, Pennpetro Greentec Limited, Pennpetro Greentec UK Limited and Pennpetro Green Energy Limited. We are therefore unable to determine the completeness of the trial balance for these entities for purposes of inclusion in the consolidation.

3. We were unable to obtain sufficient, appropriate audit evidence over the following transactions and balances in the current financial year:

- Payroll tax accruals written off which were based on historical pay rates for which the client has no records. This related to the parent company. The value of the write off was $172,127.
- Gain on disposal of the US subsidiaries of $5,393,873. The existence, completeness and valuation of the assets and liabilities of the US subsidiaries could not be verified due to incomplete records.

As a result of these matters which together we consider material and pervasive, we were unable to determine whether any adjustments might have been found in the financial statement line items and the elements making up the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated Statement of Changes in Equity and the Consolidated and Parent Company Statements of Cash Flows.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be $74,600 based on 5% of the normalised loss before taxation (2025: $50,000, based on 3% of loss before tax). Materiality for the parent company financial statements as a whole was set at $62,500 based on 5% of the normalised loss before taxation (2025: $26,000, based on 3% of loss before tax).

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Performance materiality was set at 60% of materiality for the financial statements as a whole, which equates to $44,760 (2025: $30,000) and $37,500 (2025: $15,600) for the Parent Company.

We agreed with the Audit Committee to report to it all identified errors in excess of $3,700 (2025: $2,500). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The Company and Group finance function is based in the United Kingdom, and audit procedures were carried out thereon from our office, with discussions with management as required and information being requested from the US where appropriate. All procedures were performed by the group audit team.

We assessed the Parent Company to be a significant component, on which we carried out a full scope audit. The subsidiary entities were assessed to comprise a second component, on which we carried out specific audit procedures.

Given the limited activity during the year, we did not consider that a visit to the Group's US locations was required.

Key Audit Matters

In accordance with ISA (UK) 705, we have described below the matters that we have determined to be key audit matters. Our responsibility is to address these matters in the context of our audit of the financial statements as a whole and to form our opinion thereon. However, because we do not express an opinion on the financial statements due to the matters described in the Basis for Disclaimer of Opinion section, we do not provide an opinion or any level of assurance on the financial statements as a whole, including the matters described below.

Key audit matter	*How the scope of our audit addressed the key audit matter*
Adequacy of accounting records The Group has experienced significant challenges in compiling the accounting records for the reasons outlined in the Basis for Disclaimer section of this report. As a result, certain opening balances include amounts without adequate supporting information, and certain entities in the group lack complete general ledger information.	• We requested from management supporting detail to the accounting records, including breakdowns, contracts, invoices and other documentation. • We held discussions with the Directors and the Group's outsourced accountants, to obtain an understanding of accounting transactions, and the extent of audit evidence available.

Opinions on other matters prescribed by the Companies Act 2006

Due to the significance of the matters described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

• the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or the directors' report.

Arising from the limitation of our work referred to above:

• we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

• we were unable to determine whether adequate accounting records have been kept by the company, or returns adequate for our audit have been received from branches not visited by us.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit on the Group and Parent Company financial statements in accordance with applicable law and International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRCs Ethical Standards applicable to public interest entities, and we have fulfilled our other responsibilities in accordance with these requirements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We design procedures in line with our responsibilities, set out above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). We are unable to determine whether the audit was capable in its ability to detect irregularities, including fraud, on the basis that we were unable to obtain sufficient appropriate audit evidence due to the matters described in the basis for disclaimer of opinion section of our report.

Other matters which we are required to address

We were first appointed by the Board on 25 March 2019 to audit the financial statements for the period ending 31 December 2018. Our total uninterrupted period of engagement is eight years, covering the periods ending 31 December 2018 to 31 March 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Glasby
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor
London

Date: 31 July 2026

	Note	Year ended 31 March 2026 $	Year ended 31 March 2025 $
Administrative expenses	6	(935,570)	(941,224)
Operating loss		**(935,570)**	**(941,224)**
Finance expense	9	(212,498)	(357,969)
Finance income		20	-
Loss before tax		**(1,148,048)**	**(1,299,193)**
Income tax		-	-
Loss after tax from continuing activities		**(1,148,048)**	**(1,299,193)**
Profit/(loss) for the year from discontinued activities	25	5,224,171	(417,920)
Profit/(loss) attributable to the owners of the parent		**4,076,123**	**(1,717,113)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		-	(107,889)
Other comprehensive income/(loss), net of tax		**-**	**(107,889)**
Total comprehensive profit/(loss) for the year attributable to the owners of the parent		**4,076,123**	**(1,825,002)**
Earnings per share from continuing operations attributable to owners of the parent:			
Basic and diluted earnings/(loss) per share (cents)	11	(1.02)	(1.20)
Earnings per share from discontinued operations:			
Basic and diluted earnings/(loss) per share (cents)	11	4.26	(0.39)
Earnings per share from total operations:			
Basic and diluted earnings/(loss) per share (cents)	11	3.24	(1.59)

The notes on pages 44 to 66 form part of these financial statements.

Company number: 10166359

	Note	31 March 2026 $	31 March 2025 $
ASSETS			
Current assets			
Trade and other receivables	13	15,227	-
Cash and cash equivalents	14	40,433	101,852
Total current assets		**55,660**	**101,852**
TOTAL ASSETS		**55,660**	**101,852**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	15	1,431,895	1,431,895
Share premium	15	9,255,778	9,255,778
Convertible loan note reserve	18	4,401,491	4,172,846
Reorganisation reserve		(6,578,229)	(6,578,229)
Foreign exchange reserve		(322,560)	(354,497)
Retained losses		(10,870,804)	(14,946,927)
Total equity		**(2,682,429)**	**(7,019,134)**
Current liabilities			
Trade and other payables	19	2,282,392	2,403,955
Borrowings	16	-	4,717,031
Convertible loan notes	18	455,697	-
Total current liabilities		**2,738,089**	**7,120,986**
TOTAL EQUITY AND LIABILITIES		**55,660**	**101,852**

These financial statements were approved by the Board of Directors on 31 July 2026 and signed on its behalf by:

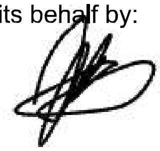
Richard Spinks
Executive Co-Chairman

The notes on pages 44 to 66 form part of these financial statements.

	Note	31 March 2026 $	31 March 2025 $
ASSETS			
Current assets			
Trade and other receivables	13	15,227	98,325
Cash and cash equivalents	14	40,433	35,122
Total current assets		**55,660**	**133,447**
Total assets		**55,660**	**133,447**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	15	1,431,895	1,431,895
Share premium	15	9,255,778	9,255,778
Convertible loan note reserve	18	4,401,491	4,172,846
Foreign exchange reserve		(297,665)	(268,138)
Retained losses		(17,473,928)	(16,438,239)
Total equity		**(2,682,429)**	**(1,845,858)**
Current liabilities			
Trade and other payables	19	2,282,392	1,979,305
Convertible loan note	18	455,697	-
Total current liabilities		**2,738,089**	**1,979,305**
TOTAL EQUITY AND LIABILITIES		**55,660**	**133,447**

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the parent company Statement of Comprehensive Income. The loss for the parent Company for the period was $1,035,689 (2025: $979,040).

These financial statements were approved by the Board of Directors on 31 July 2026 and were signed on its behalf by:



Richard Spinks
Executive Co-Chairman

Company registration number: 10166359

The notes on pages 44 to 66 form part of these financial statements.

	Note	Share capital $	Share premium $	Convertible loan note reserve $	Reorganisation reserve $	Foreign exchange reserve $	Retained losses $	Total Equity $
As at 1 April 2024		**1,277,639**	**8,443,248**	**4,172,846**	**(6,578,229)**	**(246,608)**	**(13,229,814)**	**(6,160,918)**
Comprehensive loss for the year								
Profit/(Loss) for the year		-	-	-	-	-	(1,717,113)	(1,717,113)
Foreign exchange differences		-	-	-	-	(107,889)	-	(107,889)
Total comprehensive loss for the year		-	-	-	-	(107,889)	(1,717,113)	(1,825,002)
Transactions with owners		-	-	-	-	-	-	-
Issue of share capital		154,256	849,224	-	-	-	-	1,003,480
Cost of issue		-	(36,694)	-	-	-	-	(36,694)
Total transactions with owners		**154,256**	**812,530**	**-**	**-**	**-**	**-**	**966,786**
As at 31 March 2025		**1,431,895**	**9,255,778**	**4,172,846**	**(6,578,229)**	**(354,497)**	**(14,946,927)**	**(7,019,134)**
As at 1 April 2025		**1,431,895**	**9,255,778**	**4,172,846**	**(6,578,229)**	**(354,497)**	**(14,946,927)**	**(7,019,134)**
Comprehensive loss for the year								
Profit/Loss) for the year		-	-	-	-	-	4,076,123	4,076,123
Other comprehensive loss for the year		-	-	-	-	-	-	-
Foreign exchange differences reclassified to profit or loss on disposal		-	-	-	-	31,937	-	31,937
Total comprehensive loss for the year		-	-	-	-	-	4,076,123	4,108,060
Transactions with owners								
Issue of convertible loan notes	**18**	-	-	228,645	-	-	-	228,645
Total transactions with owners		-	-	228,645	-	-	-	228,645
As at 31 March 2026		**1,431,895**	**9,255,778**	**4,401,491**	**(6,578,229)**	**(322,560)**	**(10,870,804)**	**(2,682,429)**

The notes on pages 44 to 66 form part of these financial statements.

	Note	Share capital $	Share premium $	Convertible loan note reserve $	Foreign exchange reserve $	Retained losses $	Total Equity $
As at 1 April 2024		**1,277,639**	**8,443,248**	**4,172,846**	**(214,671)**	**(15,459,199)**	**(1,780,137)**
Comprehensive loss for the year							
Loss for the year		-	-	-	-	(979,040)	(979,040)
Foreign exchange differences		-	-	-	(53,467)	-	(53,467)
Total comprehensive loss for the year		-	-	-	(53,467)	(979,040)	(1,032,507)
Transactions with owners		-	-	-	-	-	-
Issue of share capital		154,256	849,224	-	-	-	1,003,480
Cost of issue		-	(36,694)	-	-	-	(36,694)
Total transactions with owners		**154,256**	**812,530**	**-**	**-**	**-**	**966,786**
As at 31 March 2025		**1,431,895**	**9,255,778**	**4,172,846**	**(268,138)**	**(16,438,239)**	**(1,845,858)**
As at 1 April 2025		**1,431,895**	**9,255,778**	**4,172,846**	**(268,138)**	**(16,438,239)**	**(1,845,858)**
Comprehensive loss for the year							
Loss for the year		**-**	**-**	**-**	**-**	**(1,035,689)**	**(1,035,689)**
Other comprehensive loss for the year		**-**	**-**	**-**	**(29,527)**	**-**	**(29,527)**
Total comprehensive loss for the year		**-**	**-**	**-**	(29,527)	(1,035,689)	(1,065,216)
Transactions with owners							
Issue of convertible loan notes	**18**	-	-	228,645	-	-	228,645
Total transactions with owners		-	-	228,645	-	-	228,645
As at 31 March 2026		**1,431,895**	**9,255,778**	**4,401,491**	**(297,665)**	**(17,473,928)**	**(2,682,429)**

The notes on pages 44 to 66 form part of these financial statements.

	Year ended 31 March 2026 $	Year ended 31 March 2025 $
Cash Flows from operating activities		
Profit/(Loss) for the year	4,076,123	(1,717,113)
Gain on disposal group	(5,361,936)	-
Release of PAYE creditor balance	(172,127)	-
Foreign exchange	(7,387)	(107,504)
Finance costs	212,512	357,969
Impairment charge	-	104,142
Restricted cash write off	55,567	-
	(1,197,248)	(1,362,506)
Changes to working capital		
Decrease in trade and other receivables	(15,227)	307,881
Increase in trade and other payables	596,301	239,956
	581,074	547,837
Net Cash used in operating activities	**(616,174)**	**(814,669)**
Cash Flows from investing activities		
Purchases of property, plant and equipment	-	(104,142)
Loss of inaccessible subsidiary bank balance	(55,567)	
Net Cash generated from / (used in) investing activities	(55,567)	**(104,142)**
Cash Flows from financing activities		
Proceeds from convertible loan notes	671,750	-
Transaction costs on issue of convertible loan notes	(13,432)	-
Proceeds from issues of ordinary shares	-	1,003,480
Transaction costs on issue of ordinary shares	-	(36,694)
Proceeds from borrowings	-	50,000
Repayment of borrowings	(47,996)	(2,004)
Net Cash generated from financing activities	**610,322**	**1,014,782**
Net (Decrease)/Increase in Cash and Cash Equivalents	**(61,419)**	**95,971**
Cash and cash equivalents at the beginning of the period	101,852	6,266
Effect of exchange rates on cash balance	-	(385)
Cash and Cash Equivalents at the End of the Period	**40,433**	**101,852**

Major non-cash transactions

During the period, the Company wrote off the full bank balance of $55,567 held by its subsidiary, Nobel Petroleum LLC, as the current directors were unable to access the account. Access remained under the authority of former directors, who did not provide the necessary access to the Company.

The notes on pages 44 to 66 form part of these financial statements.

	Period end 31 March 2026 $	Period end 31 March 2025 $
Cash Flows from Operating Activities		
Loss for the year	(1,035,689)	(979,040)
Release of PAYE creditor balance	(172,127)	-
Finance costs	65,484	38,343
Impairment of intercompany loan balance	73,760	-
Unrealised foreign exchange	(37,614)	(53,467)
	(1,106,186)	(994,164)
Changes to working capital		
Increase in trade and other receivables	(24,804)	(84,084)
Increase in trade and other payables	477,282	146,543
	452,478	62,459
Net cash used in Operating Activities	**(653,708)**	**(931,705)**
Net Cash generated used in Investing Activities	-	-
Cash Flows from Financing Activities		
Proceeds from issue of ordinary shares	-	1,003,480
Transaction costs on issue of ordinary shares	-	(36,694)
Proceeds from convertible loan notes	671,750	-
Transaction costs on issue of convertible loan notes	(13,432)	
Net Cash generated from Financing Activities	**658,318**	**966,786**
Net movement in Cash and Cash Equivalents	**4,610**	**35,081**
Cash and cash equivalents at the beginning of the year	35,122	41
Effect of exchange rates on cash balances	701	-
Cash and Cash Equivalents at the end of the year	**40,433**	**35,122**

The notes on pages 44 to 66 form part of these financial statements.

1. CORPORATE INFORMATION

Pennpetro Energy Plc (the "Company") is a public limited company which is listed on the London Stock Exchange in the Equity Shares (Transition) category of the Official List and incorporated and domiciled in England and Wales. Its registered office address is Eastcastle House, 27-28 Eastcastle Street, London, United Kingdom, W1W 8DH.

The consolidated financial statements of the Company consist of the following companies (together the "Group"):

Pennpetro Energy plc	UK registered company
Pennpetro Greentec Limited	Cyprus registered company
Pennpetro Greentec UK Limited	UK registered company

During the year, the Group was an oil and gas developer with assets in Texas, United States. Prior to 30 March 2026, the Company's US-based subsidiaries owned a portfolio of leasehold petroleum mineral interests centred on the City of Gonzales, in southeast Texas, comprising the undeveloped central portion of the Gonzales Oil Field.

On 30 March 2026, the Company signed a loan release agreement with Petroquest Energy Limited ("Petroquest"). The terms of the agreement (as amended on June 3 with effect from 30 March 2026) was that the Group would be discharged from all liabilities under the loan held with Petroquest. In exchange, the Company disposed of its entire equity holding in Pennpetro USA Corp and its 100% owned indirect subsidiaries (Nobel Petroleum USA Inc. and Nobel Petroleum LLC). As a result, these entities are no longer consolidated in the Group financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

These consolidated financial statements have been prepared in accordance with the UK- adopted International Accounting Standards ("UK-IAS" or "IFRS") and in conformity with the requirements of the Companies Act 2006 and in accordance with Listing Rules.

The consolidated and company financial statements have also been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.2. Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiaries made up to 31 March 2026. Subsidiaries are entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Going concern

The Directors have assessed the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. This assessment takes into account the Group's current financial position, expected operating costs, planned activities, and availability of funding.

Since October 2025, the Company has engaged with a number of institutional investors in connection with the proposed return of its shares to trading on the London Stock Exchange and the planned acquisition of interests in the Limnytskyi licence in Ukraine. Feedback to date has been positive, and the directors believe that sufficient funding can be raised to meet the Group's immediate operational and working capital requirements following the resumption of trading. In addition, the Company had access to funding through a convertible loan note ("CLN") arrangement with RMD Group. In September 2025, the Company received £250,000 under this facility, which is subject to an agreed use of funds. Further funding of £250,000 and £325,000 from RMD Group was announced in January and April 2026 respectively.

RMD Group has also agreed to advance funds directly to suppliers and contractors in Ukraine to progress activities relating to the Limnytskyi licence. These costs will not impact the Group's short-term cash flows. Upon completion of the ongoing restructuring and should the Limnytskyi licence form part of the continuing Group, the related assets and activities will be transferred to the Company, together with the associated funding obligations.

Following the disposal of the US Legacy Subsidiaries (including removal of the $5m Petroquest loan note from the balance sheet via the 30 March 2026 Loan Release Deed and subsequent full exit), the settlement of the majority of remaining creditors, and the availability of committed and potential funding to meet near-term obligations, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

The Directors have reviewed detailed cash-flow forecasts covering the going-concern period. These forecasts indicate that, based on the Group's current cash resources and the committed funding already received, the Group will require additional external financial support within the 12-month review period in order to meet its operating costs, working-capital requirements and the costs associated with the restoration of trading and the proposed reverse takeovers. The timing and quantum of that additional support remain uncertain and are dependent on the successful restoration of trading in the Company's shares and the ability to raise further equity or debt funding from existing or new investors (including further support from RMD Group). Whilst the Directors are confident that such funding can be obtained, the need for additional external finance whose timing and amount are not yet committed constitutes a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

2.4 New standards, amendments and interpretations adopted by the Group and Company

The adoption of the following mentioned amendment, which was effective for years beginning on or after 1 January 2025, have not had a material impact on the Group's and Company's financial statements:

Standard	Impact on initial application	Effective date
IAS 21 (Amendments)	Lack of Exchangeability	1 January 2025

<u>New standards, interpretations and amendments not yet effective</u>

There are a number of standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods. The following new IFRS standards and amendments, which have not been applied in these financial statements, were in issue but not yet effective until annual periods beginning on 1 January 2026 and 2027:

Standard	Impact on initial application	Effective date
IFRS 9 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is current assessing the impact of these new accounting standards and amendments but do not expect any to have a material impact on the consolidated and Company financial statements.

2.5 Investment in subsidiaries

In the Company financial statements, investments in the Company's subsidiaries are stated at cost, which is the fair value of the consideration paid, less any impairment provision. The investment in subsidiaries balance on the Company's statement of financial position also includes the carrying value of long-term intercompany loans.

2.6 Revenue

Revenue is recognised in accordance with IFRS 15. The Group had no revenue in the current period. When revenue arises, it is derived from the sale of physical goods where the single performance obligation is satisfied at the point of delivery. The transaction price in the invoiced amount (net of local taxes where applicable), with no material variable consideration, returns, warranties or significant financing component. Payment terms are typically 30 days.

For all sales of goods, revenue is recognised at a point in time, being the point at which the goods are delivered to the customer.

2.7 Foreign currencies

The functional currency for each entity in the Group is the currency of the primary economic environment in which the entity operates. The consolidated and company financial statements are presented in USD ($), which is the Group's and Company's presentational currency.

The functional currency of the Company is GBP.

Transactions in currencies other than the functional currency of each entity are recorded at the exchange rate on the date the transaction occurred. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

On consolidation, the results of each entity in the Group with a non-USD functional currency are translated into USD at rates approximating to those ruling when the transactions took place. All assets and liabilities of these entities are translated at the rate ruling at the reporting date. The resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

2.8 Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment. The Group had no property, plant and equipment in the current or prior period. When present, capitalised costs for producing properties (post-exploration success and sanction) are depreciated on a unit-of-production basis over proven and probable reserves (including future development costs).

2.9 Intangible Assets

Exploration and evaluation assets

The Group applies the successful efforts method of accounting for oil and gas exploration and evaluation assets in accordance with IFRS 6 *Exploration for and Evaluation of Mineral Resources*.

Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Statement of Comprehensive Income.

Exploration and evaluation expenditure (including drilling costs) is capitalised on a well-by-well basis as an intangible asset only while the Group Is determining whether a well has discovered commercially viable reserves. Drilling costs are written off on completion of a well unless the results indicate that hydrocarbon reserves exist and there is a reasonable prospect that they are commercially viable.

Capitalised exploration and evaluation assets are reviewed at least annually for indicators that the Group no longer intends to develop or extract value from the discovery. Where this is the case, the assets are immediately expensed to the Statement of Comprehensive Income.

Once technical feasibility and commercial viability of extracting the reserves are demonstrable, the relevant exploration and evaluation assets are reclassified as development assets (still within intangible assets) and are subsequently tested for impairment under IAS 36.

Development costs

Expenditure on the drilling of development wells (including services) is capitalised as an intangible asset. When a well has formally commenced commercial production, the related costs are transferred to property, plant and equipment and depreciated from the commencement of production in accordance with the Group’s accounting policy for property, plant and equipment.

Petroleum mineral leases

Costs of acquiring petroleum mineral leases are capitalised as intangible assets and are reviewed for impairment on an annual basis or when there are indicators that the carrying amount may not be recoverable.

2.10 Impairment of Non-Financial Assets

Assets not ready for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment at each reporting date. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash- generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial Instruments

Financial Assets

Classification
Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measures its financial assets at fair value plus transaction costs which comprise 'trade and other receivables' and 'cash and cash equivalents'.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition and measurement
At initial recognition, an entity shall measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At initial recognition, an entity shall measure trade receivables at their transaction price if the trade receivables do not contain a significant financing component.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Derecognition also takes place for certain assets when the Group writes-off balances pertaining to the assets deemed to be uncollectible.

Impairment of financial assets

The Group recognises expected credit losses on financial assets measured at amortised cost. The impairment model applies a forward-looking expected credit loss approach. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 and measures loss allowances at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group considers reasonable and supportable information that is relevant and available with undue cost and effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Financial liabilities

Classification
The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of financial liabilities measured at amortised cost and financial liabilities at fair value through profit or loss.

Financial liabilities measured subsequently at amortised cost
Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The Group's financial liabilities measured at amortised cost comprise convertible loan notes, trade and other payables, and accruals.

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

Derecognition of financial liabilities
A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the income statement.

2.12 Finance income and expense

Finance income
Finance income includes interest income.

Finance expense
Finance expenses include interest expense on borrowings and other financing arrangements, in addition to the unwinding of discounts on provisions and other financial liabilities measured at amortised cost where applicable. Finance expenses are recognised in the statement of profit and loss using the effective interest method in the period in which they are incurred.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

2.14 Borrowings

Borrowings are recognised initially at fair value minus transaction costs that are directly attributable to the issue of the financial liability. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings, using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.15 Equity

An equity instrument is any contract that evidences a residual interest in the assets of a Company after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received net of direct issue costs.

Proceeds received from investors lin respect of shares for which the Company has an unconditional obligation to issue equity instruments directly in equity when received.

2.16 Reserves

Share capital	Amount subscribed for share capital at nominal value
Share premium	Amount subscribed for share capital in excess of nominal value
Reorganisation reserve	Reserve created on issue of shares on acquisition of subsidiaries
Convertible loan note reserve	Represents the equity of instruments with a convertible element
Foreign exchange reserve	Cumulative translation differences
Retained losses	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income

2.17 Taxation

Income tax represents the sum of the current tax and deferred tax charge for the year.

Current tax
Current tax payable is based on the taxable profit for the year calculated using tax rate that have been enacted or substantively enacted by the end of the reporting period. None of the entities in the Group generate taxable profits.

Deferred tax
Deferred tax is recognised on difference between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases and is accounted for using the balance sheet liability method.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted and are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets are recognised to the extend that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Judgement is applied in making assumptions about future taxable income, including production, costs and expenditure to determine the extend to which the Group recognises deferred tax assets, as well as the anticipated timing of the utilisation of the losses.

2.18 Segment Information

The Group operates in a single segment (oil and gas exploration and development). Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the Board of Directors), who is responsible for allocating resources and assessing performance.

3. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including commodity and currency risk, and cash flow and interest rate risk), credit risk and liquidity risk.

Market risk
The Group's strategy is focused on developing strategic oil and gas projects. Following the disposal of Pennpetro USA Corp and its related subsidiaries, the Group had no producing assets at 31 March 2026. It remains exposed to risk arising from variations in the demand for and price of the hydrocarbons in relation to any future production or development activities. Oil and gas prices historically have fluctuated widely and are affected by numerous factors over which the Group has no control, including world production levels, international economic trends, exchange rate fluctuations, speculative activity and

global or regional political events.

Commodity and currency risk
As the Group's potential future earnings will be derived from the sale of oil and gas cash flows would be impacted by changes in the prices and available markets for these commodities. Any substantial decline in the price of oil or gas, or in transport or distribution costs may have a material adverse effect on the Group. Commodity prices fluctuate and are affected by a number of factors including current and expected future supply and demand, production cost levels in major oil producing centres, as well as macroeconomic conditions such as inflation and interest rates.

Furthermore, capital raises of the Company are denominated in GBPs whereas the Group's a presentation currency is in USD and any future assets or liabilities may be help in other currencies. Consequently, material changes in the GBP/USD (or other relevant) exchange rate may impact the Group's ability to raise sufficient funds or the reported value of its assets and liabilities. Exchange rates are impacted by numerous factors beyond the control of the Group, including inflation, interest rates, and general economic outlook.

The Directors are confident that they have put in place a strong management team capable of dealing with the above issues as they arise.

Credit risk
The Group's principal financial assets are cash and cash equivalents and other receivables

Credit risk represents the risk of loss the Group would incur if third party counterparties fail to fulfil their credit obligations. Following the disposal of Pennpetro USA Corp and the related subsidiaries, the Group has limited exposure to third-party operators. The Group seeks to mitigate this risk where possible by assessing the credit quality of the participants and by establishing ongoing and long-term relationships.

The initial credit risk on cash and cash equivalents is limited because it is the Group's policy to invest with banks that firstly offer the greatest degree of security in the view of the Group and, secondly the most competitive interest rates. The credit risk for short term investments and cash and cash equivalents is considered negligible since the counterparties are reputable banks.

Other receivables are limited and are consideration low risk. Other receivables are considered in default if the entity or party has not settled its payment obligation by the due date set out in the underlying contracts and agreements.

A loss allowance is recognised for expected credit losses on all financial assets held at the balance sheet date. Given risk mitigation steps undertaken by the Directors, no provision has been made for losses.

Liquidity risk

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. However, the Group continues to absorb cash in its operations for the time being and management recognises the risk of insufficient cash and capital to carry on its activities and safeguard the Group's ability to continue as a going concern.

The Board receives cash flow projections on a regular basis, which are monitored regularly. The Board will not commit to material expenditure prior to being satisfied that sufficient funding is available to the Group to finance planned operations. Regular reviews will ensure that further steps will be taken if necessary.

The Group issued two convertible loans which expose the Group to liquidity risk in respect of potential cash outflows for interest and principal if not converted into equity. The Group manages this through ongoing assessment of funding requirements and conversion prospects.

A maturity analysis of the Group's undiscounted cash flows arising from financial liabilities (exclusive of interest amounts) is show below:

	Less than 1 year ($)	Between 1 and 5 years ($)	Total ($)
At 31 March 2026			
Trade and other payables	2,282,392	-	2,282,392
Convertible loan notes	-	737,623	737,623
Total	**2,282,392**	**737,623**	**3,020,015**

	Less than 1 year ($)	Between 1 and 5 years ($)	Total ($)
At 31 March 2025			
Borrowings	4,717,031	-	4,717,031
Trade and other payables	2,403,955	-	2,403,955
Total	**7,120,986**	**-**	**7,120,986**

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The estimates and associated assumption are based on historical experience, expectations of future events and other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The estimates and underlying assumptions are review on an on-going basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

Critical judgements in applying the Group's accounting policies

Convertible loan notes – determination of effective interest rate

The Group has issued a convertible loan note which carry a contractual interest rate of 12% per annum. The rate reduces to 6% per annum once the Company obtains sufficient shareholder authority (including the disapplication of pre-emption rights) to issue the ordinary shares required on conversion.

In determining the effective interest rate and the carrying amount of the liability component, management was required to estimate the expected future cash flows, including the period over which the higher interest rate would apply.

Management judged that it was appropriate to assume the 12% interest rate would apply for the entire expected life of the instrument. This judgement was based on the fact that, at the date of initial recognition and throughout the reporting period, the Company's shares remained suspended from trading on the London Stock Exchange and there was no reasonable expectation that the necessary shareholder resolutions would be obtained in the near term.

Write-off of balances relating to US subsidiaries

Immediately prior to the deconsolidation of the Pennpetro USA Corp., the Directors were unable to obtain access to the subsidiaries' books and records. Certain US bank balances could not be verified and were written off in full. The resulting loss has been recognised within discontinued operations.

Recoverability of non-producing mineral leases and capitalised drilling costs & equipment

Management tests annually whether non-producing mineral leases have future economic value in accordance with the accounting policies. This assessment takes into consideration the likely commerciality of the asset, the future revenues and costs pertaining and the discount rates to be applied for the purposes of deriving a recoverable value. In the event that a lease does not represent an economic drilling target and results indicate that there is no additional upside, the mineral lease and drilling costs will be impaired.

The Directors have reviewed the estimated value of the licences and have concluded that no adjustment to the previously impaired assets should be made. The primary terms of the leases have expired but did not require renewal whilst there was production from the permitted area. Production over the permitted area stopped in April 2024 and has not yet recommenced.

5. REVENUE

The CODM has determined that there is one operating segment being the provision of the sale of oil and gas.

	Year ended 31 March 2026 $	Year ended 31 March 2025 $
Oil and Gas	-	-
Total revenue	-	-

The comparative revenue of $30,067 for the year ended 31 March 2025 related wholly to Pennpetro USA Corp. Following the 51% disposal and loss of control of Pennpetro USA Corp during the current year, this revenye has been reclassified and presented within discontinued operations.

6. OPERATING LOSS

Operating loss for the year has been arrived at after charging the following items:

Group	**Year ended 31 March 2026 $**	**Year ended 31 March 2025 $**
Legal, professional and compliance costs	760,916	459,499
Wages and salaries	262,815	435,627

7. AUDITORS' REMUNERATION

Services provided by the Company's auditor and its associates

During the period, the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor:

	Year ended 31 March 2026 $	**Year ended 31 March 2025 $**
The audit of the Parent Company and consolidated financial statements	84,433	76,536

8. STAFF COSTS

Group and Company	2026 $	2025 $
Wages and salaries	-	114,273
Director fees	457,783	303,666
Social security costs	(179,458)	14,260
Pension contributions	-	3,428
	278,325	**435,627**

During the period the Company wrote off social security costs totalling $179,458 which had been accrued in a prior period that was no longer payable.

Directors' Emoluments

		2026 $	2025 $
Richard Spinks	Emoluments	20,103	-
Mavriky Kalugin	Emoluments	20,103	-
Olof Rapp	Emoluments	80,413	57,402
Thomas Evans	Emoluments	-	123,840
David Lenigas	Emoluments	-	84,263
Stephen Lunn	Emoluments	160,827	89,292
Robert Menzel	Emoluments	160,827	63,142
		442,273	**417,939**

The average monthly number of staff, including the Directors, during the financial year was as follows:

	2026	2025
Directors	4	3

9. FINANCE COSTS – continued operations

	2026 $	2025 $
Interest on borrowings	147,014	357,969
Interest on convertible loan note	65,484	-
	212,498	**357,969**

10. INCOME TAX

The tax charge for the year is $Nil (2025: $Nil). Factors affecting the tax charge for the period are explained below:

	2026 $	2025 $
Profit/(loss) for the year before taxation	4,076,123	(1,717,113)
UK Profit/(loss) before tax multiplied by the UK tax rate 25% (2025: 25%)	1,019,031	(429,278)
Tax effect of:		
Gain on disposal	(1,340,484)	-
Expenses and losses within discontinued operations for which no UK tax benefit is recognised	(33,691)	-
Expenses not deductible for tax purposes	-	117,253
Difference in overseas tax rate	-	(2,295)
Movement in deferred tax not recognised	355,144	314,320
	-	-

The tax charge for the year has been estimated based on the information currently available, including the expected tax treatment of the disposal of the subsidiaries, the release of the third-party loan and the availability of brought-forward tax losses. The final tax position may differ following completion of the detailed corporation tax computations, receipt of professional tax advice and agreement with the relevant tax authorities.

The Group has UK tax losses of approximately $4,857,735 (2025: $3,709,687) to carry forward against future profits. The Directors have not recognised a deferred tax asset on the losses to date due to the uncertainty of recovery.

11. EARNINGS/LOSS PER SHARE

Continued Operations

The calculation of basic and diluted loss per share from continuing activities of 1.02 cents (31 March 2025: loss per share of 1.20 cents) is based on the loss attributable to equity holders of the parent from, continuing operations of $1,148,048 (31 March 2025: Loss $1,299,193) and the weighted average number of ordinary shares of 112,299,089 (31 March 2025: 107,863,473) in issue during the year.

Discontinued Operations

The calculation of basic and diluted earnings per share from discontinued operations of 4.26 cents (31 March 2025: 0.39 cents) is based on the profit attributable to equity holders of the parent from discontinued operations of $5,224,171 (31 March 2025: $417,920) and on the weighted average number of ordinary shares of 122,617,476 (31 March 2025: 107,863,473) in issue during the year.

Total Operations

The calculation of basic and diluted earnings per share for the year of 3.24 pence (31 March 2025: loss per share of 1.59 pence) is based on the profit attributable to equity holders of the parent of $4,076,123 (31 March 2025: loss of $1,717,113) and the weighted average number of ordinary shares of 112,299,089 (31 March 2025: 107,863,473) in issue during the year.

The Group has potential ordinary shares arising from outstanding share options and the conversion features of its convertible loan notes. In accordance with IAS 33, these potential ordinary shares have not been included in the calculation of diluted earnings per share because the Group incurred a loss from continuing operations and their inclusion would therefore be anti-dilutive. Consequently, basic and diluted earnings per share are identical for continuing operations, discontinued operations and total operations.

In accordance with IAS 33, basic and diluted loss per share are identical for the Group as the effect of the exercise of share options would be to decrease the loss per share.

12. INVESTMENTS - COMPANY

Company	2026 $	2025 $
Cost		
At 1 April	-	-
At 31 March	-	-

The subsidiary undertakings of the Company are presented below:

Subsidiary	Country of incorporation	Registered address	Proportion of ordinary shares held at year end	Principal activity
Pennpetro Greentec UK Limited	U.K	20b Wilton Row London SW1X 7NS, UK	100%	Dormant
Pennpetro Greentec Limited	Cyprus	1 Kalymnou, Q MERITO, 4th Floor, Agios Nikolaos, 6037 Larnaca	100%	IP Holding (Inactive)

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

On 30 March 2026, the Company disposed of Pennpetro USA Corp and its subsidiaries, Nobel Petroleum Inc. and Nobel Petroleum LLC as part of the agreement with Petroquest. See note 25 for more details.

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 March 2026 $	31 March 2025 $	**31 March 2026** $	31 March 2025 $
Amounts owed from Group undertakings	-	-	-	98,325
Prepayments	1,251	-	13,976	-
Other receivables	13,976	-	1,251	-
	15,227	**-**	**15,227**	**98,325**

The fair value of all receivables is the same as their carrying values stated above.

Group

The carrying amounts of the Group's trade and other receivables were all denominated in GBP.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables mentioned above. The Group does not hold any collateral as security.

Company

The carrying amounts of the Company's trade and other receivables are denominated in UK Pound Sterling.

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 $	2025 $	2026 $	2025 $
Cash at bank	40,433	101,852	40,433	35,122

At 31 March 2026, the Group held cash of $40,433 (2025: $101,852) in banks with a Fitch credit rating of A (Stable).

During the year, the directors made the decision to impair the bank balances in its US subsidiaries due to the inability to gain access to the bank account. The total of the bank balances impaired was $55,567.

15. SHARE CAPITAL AND PREMIUM

Issued at 1 pence per share	Number of ordinary shares	Share capital £	Share capital $
At 1 April 2025	112,299,089	1,122,991	1,431,895
As at 31 March 2026	**112,299,089**	**1,122,991**	**1,431,895**

Issued at 1 pence per share	Number of ordinary shares	Share premium £	Share premium $
At 1 April 2025	112,299,089	7,310,447	9,255,778
As at 31 March 2026	**112,299,089**	**7,310,447**	**9,255,778**

Rights, preferences and restrictions

All ordinary shares are equally eligible to receive dividends and the repayment of capital and represent equal votes at meetings of shareholders. There are no rights of redemption attached to the ordinary shares.

16. BORROWINGS

	Group		Company	
	2026	2025	2026	2025
	$	$	$	$
Current liabilities				
Corporate borrowings	-	4,717,031	-	-

At 31 March 2025 the Group had a loan note outstanding with Petroquest Energy Limited with a carrying amount of approximately $4.8 million.

During the year, interest was accrued of $467,169.

On 30 March 2026, the Company signed a Loan Release Deed with Petroquest Energy Limited. Under the terms of the agreement, the Group and its US subsidiaries were discharged from all liabilities under the Petroquest loan note. In exchange, Petroquest acquired 100% equity interest in Pennpetro USA Corp (and thereby control of its subsidiaries). As a result, the liability was written off in full, and the US subsidiaries were deconsolidated from that date. See note 27 for more details.

In addition, the Group had a $50,000 loan note with Frost Bank, in which $47,996 was still outstanding as at 1 April 2025, which was settled in full on 30 June 2025. Upon settlement, the related security was released.

17. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	At 1 April 2025	Financing cash flows	Reclassification from liabilities	Repayment	Other-non cash changes	Interest	At 31 March 2026
	$	$	$	$	$	$	$
Borrowings – Petroquest	4,669,035	-	-	-	(4,816,049)	147,014	-
Borrowings – Frost Bank	47,996	-	-	(47,996)			-
CLN 1	-	330,012	(157,710)	-	9,488	-	181,790
CLN 2	-	335,052	(70,935)	-	9,790	-	273,907
Total liabilities from financing	4,717,031	665,064	(228,645)	(47,996)	-	147,014	455,697

18. CONVERTIBLE LOAN NOTES

CLN 1 – RMD Group

On 24 September 2025 the Company issued £250,000 principal amount of CLNs. The notes carry a fixed interest rate of 6% per annum (payable in arrears) and mature on 25 September 2030. The noteholder has the option to convert the outstanding principal and accrued unpaid interest (minimum £1,000) into fully paid ordinary shares at a fixed conversion price of £0.04 per share. Transaction costs of £5,000 were incurred in respect of the instrument and have been apportioned between the liability and equity components on initial recognition of the instrument.

CLN 2 – RMD Group

On 24 February 2026 the Company issued a further £250,000 principal amount of CLNs. The notes carry interest initially at 12% per annum (stepping down to 6% per annum once the “headroom” condition regarding shareholder authority/share issuance capacity is satisfied) and mature on 24 February 2031. Conversion terms are otherwise identical to CLN1. Transaction costs of £5,000 were incurred in respect of the instrument have been apportioned between the liability and equity components on initial recognition of the instrument. An arrangement fee of £12,500 is payable at maturity.

	CLN 1	**CLN 2**	**31 March 2026**
	$	**$**	**$**
At inception	167,754	249,413	417,167
Interest expense	15,851	18,925	34,776
Foreign exchange difference	(1,815)	5,569	3,754
Total	**181,790**	**273,907**	**455,697**
Equity			
At inception	157,710	70,935	228,645
Total	**157,710**	**70,935**	**228,645**

19. TRADE AND OTHER PAYABLES

	Group		**Company**	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
	$	$	$	$
Trade and other payables	1,063,302	1,656,641	1,063,302	1,197,848
Amounts owed to group undertakings	-	-	-	34,143
Facility provision	427,157	387,106	427,157	387,106
Accrued expenses	791,933	360,208	791,933	360,208
	2,282,392	**2,403,955**	**2,282,392**	**1,979,305**

The facility provision relates wholly to a balance owed to a creditor with a historic share subscription facility that the Company drew down on for operations. This balance is due within one year of 31 March 2026.

The fair values of trade payables are the same as their book values.

Group

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2026	**2025**
	$	**$**
UK Pound Sterling	2,282,392	1,979,307
US Dollar	-	424,648
	2,282,392	**2,403,955**

The impact of a 10% favourable movement in the US Dollar to UK Pound would increase the carrying value of trade and other payables denominated in UK Pounds by approximately $228,239 (2025: $197,931). The impact of a 10% adverse movement in the US Dollar to UK Pound would reduce the carrying value of trade and other payables denominated in UK Pounds by approximately $228,329 (2025: $197,931).

20. FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Company	
	31 March 2026 $	31 March 2025 $	31 March 2026 $	31 March 2025 $
Financial assets				
Cash and cash equivalents	40,433	101,852	40,433	35,122
Trade and other receivables	1,251	-	1,251	98,325
	41,684	101,852	41,684	133,447

	Group		Company	
	31 March 2026 $	31 March 2025 $	31 March 2026 $	31 March 2025 $
Financial liabilities				
Trade and other payables	2,282,392	2,403,955	2,282,392	1,979,305
Convertible loan notes	419,970	-	419,970	-
Borrowings	-	4,717,031	-	-
	2,702,362	7,120,986	2,702,362	1,979,305

21. CONTINGENT LIABILITIES

The Company is a defendant in ongoing litigation relating to its historic share register. The claimant has sought to add the Company as an additional defendant to proceedings originally brought against other parties. The Company has applied to the court to strike out the claim.

Based on the information presently available, the Board considers that the claim against the Company has no real prospect of success and that an outflow of economic benefits is not probable. Therefore, no provision has been recognised in these financial statements. The outcome and timing of the proceedings remain uncertain and it is not currently practicable to estimate reliably any potential financial effect.

In the usual course of business, the Group may also receive claims from customers, suppliers and other parties. The outcomes of such matters are inherently uncertain and their ultimate resolution may differ from management's assessments. Based on information presently available, no other individual matter is expected to have a material adverse effect on the Group's financial position.

22. TREASURY POLICY

The Company and Group operate informal treasury policies which include ongoing assessments of interest rate management and borrowing policy. The Board approves all decisions on treasury policy.

The Group has financed its activities by raising funds through borrowings set out in note 19 and the CLNs detailed in note 20 above. There are no material differences between the book value and fair value of the financial assets.

23. CAPITAL MANAGEMENT POLICIES

The Group's and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group considers its equity and convertible loan notes as its capital. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions, the risk characteristics of the underlying assets, and the requirements of any borrowing covenants.

In order to maintain or adjust the capital structure, the Group may issue new shares, draw down on existing or new convertible loan facilities, or dispose of assets. The Group monitors capital on the basis of the gearing ratio (net debt divided by total capital) and the level of available liquidity.

The Group's capital management objectives are:

- to ensure the Group's and Company's ability to continue as a going concern;
- to comply with borrowing covenants (where applicable); and
- to provide an adequate return to shareholders.

The Directors regularly review the Group's capital structure in the context of its ongoing funding requirements, the restoration of trading on the London Stock Exchange, and its strategy to acquire new oil and gas assets.

24. CAPITAL COMMITMENTS

As at 31 March 2026, the Group had no capital commitment for drilling and equipment costs contracted but not provided for (2025: $Nil). The Group had no other capital commitments.

25. DISCONTINUED OPERATIONS

During the year, on 30 March 2026, the Group disposed of a 51% interest in its US subsidiary, Pennpetro USA Corp and its subsidiaries Nobel Petroleum USA Inc. and Nobel Petroleum LLC (together "PPP USA"). PPP USA constituted a separate major line of business and geographical area of operation focused on oil and gas activities in the United States. The transfer resulted in the Group losing control of PPP USA on 30 March 2026. Pennpetro USA Corp constituted a separate major line of business and geographical area of operation focused on oil and gas activities in the United States. The disposal was completed through the transfer of 51% of the issued stock in Pennpetro USA Corp to Petroquest.

In connection with the disposal, the outstanding loan note and accrued interest, $4.8 million at the date of disposal, previously advanced by Petroquest to the Group, of which $4.5m was advanced to Nobel Petroleum LLC and $0.3m was advanced to Nobel Petroleum USA Inc., was irrevocably released and discharged in full. This debt forgiveness formed part of the consideration for the stock transfer. The write-off of the borrowings is reflected in Note 19.

Following the loss of control, the Group retained a 49% interest in Pennpetro USA Corp. In accordance with IFRS 10, this retained interest was recognised at fair value at the date control was lost. Management assessed the fair value of the retained interest as $nil, based on the absence of enforceable producing assets or leases, the lack of current production or supportable forecast cash flows, Pennpetro USA Corp's net liability position and the legacy legal and operational matters associated with the US Operations.

The results of PPP USA have been classified and presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income for the current and comparative periods. The financial impact of the disposal, including the gain or loss on disposal (incorporating the debt forgiveness) and the fair value of the retained interest, are included within discontinued operations.

The analysis between continuing and discontinued operations is as follows:

31 March 2026

	Continuing operations	Discontinued operations	Total
	$	$	$
Revenue	-	-	-
Gross profit	**-**	**-**	**-**
Administrative expenses	(935,570)	(79,235)	(1,014,805)
Exceptional costs	-	(55,567)	(55,567)
Operating loss	**(935,570)**	**(134,802)**	**(1,070,372)**
Finance costs	(212,498)	(2,963)	(215,461)
Finance income	20	-	20
Gain/(loss) on disposal of subsidiaries	-	5,361,936	5,361,936
Profit/(Loss) before taxation	**(1,148,048)**	**5,224,171**	**4,076,123**
Tax credit	-	-	-
Profit/(Loss) for the year	**(1,148,048)**	**5,224,171**	**4,076,123**

Cash outflows from operating activities	(616,174)	(66,024)	(682,198)
Cash inflows from investing activities	-	-	-
Cash inflows from financing activities	610,322	-	658,316

31 March 2025

	Continuing operations	Discontinued operations	Total
	$	$	$
Revenue	-	30,067	30,067
Cost of sales	-	-	-
Gross profit	-	30,067	30,067
Administrative expenses	(941,224)	(343,845)	(1,285,069)
Impairment of intangible assets	-	(104,142)	(104,142)
Operating loss	(941,224)	(417,920)	(1,359,144)
Finance income	-	-	-
Finance expense	(357,969)	-	(357,969)
Loss before taxation	(1,299,193)	(417,920)	(1,717,113)
Tax credit	-	-	-
Loss for the year	(1,299,193)	(417,920)	(1,717,113)

Cash outflows from operating activities	(931,705)	117,036	(814,669)

Cash inflows from investing activities	-	(104,142)	(104,142)
Cash outflows from financing activities	966,786	47,996	1,014,782

The tables below show the carrying amounts of assets and liabilities of Pennpetro USA Corp at the date control was lost.

The carrying amounts of assets and liabilities were:

	30 March 2026 $
Trade and other creditors – Pennpetro USA Corp	1,100
Trade and other creditors – Nobel Petroleum USA Inc.	296,966
Trade and other creditors – Nobel Petroleum USA Inc.	279,759
Total liabilities derecognised	**577,825**

All assets within the PPP USA Group were impaired prior to 30 March 2026 so the gain on deconsolidation equalled the carrying amount of the liabilities derecognised, together with the fair value of the retained interest. The loan forgiveness by Petroquest constituted the consideration received in the transaction. However, as the forgiven loan was a liability in the subsidiaries being derecognised, the net accounting effect is a gain equal to the carrying amount of all liabilities derecognised upon loss of control, together with the fair value of the retained 49% interest, which was assessed as $nil.

The resulting gain on deconsolidation was as follows:

	30 March 2026 $
Petroquest loan note and accrued interest	4,816,048
Total liabilities derecognised	577,825
Fair value of retained 49% interest	-
Cumulative foreign currency translation loss reclassified to profit or loss	(31,937)
Gain on deconsolidation	**5,361,936**

26. RELATED PARTY TRANSACTIONS

Transactions with Directors

There were no transactions with Directors of the Group, aside from the director fees that were paid during the year. For key management compensation, see note 9.

Transaction with RMD Group

RMD Holdings Limited is a Canada based company of which Richard Spinks, Chairman of the Company and Ronald Derrickson, who was appointed Non-Executive Co-Chairman after year end, are directors.

On 24 September 2025 the Company issued £250,000 principal amount of CLNs. The notes carry a fixed interest rate of 6% per annum and mature on 25 September 2030.

On 24 February 2026 the Company issued a further £250,000 principal amount of CLNs. The notes carry interest initially at 12% per annum (stepping down to 6% per annum once the “headroom” condition regarding shareholder authority/share issuance capacity is satisfied) and mature on 24 February 2031.

Further details of the CLNs are given in note 18.

RMD Group is also the vendor-side counterparty in relation to the proposed acquisition of an interest in the Limnytska oil and gas licence. The proposed transaction had not completed and no consideration was payable at 31 March 2026.

Company
During the year, due to the inability to rely on the financial records of Pennpetro USA Corp and its subsidiaries, the Company impaired all outstanding intercompany balances. This resulted in the following impairments:

Related party	Nature of balance	Amount impaired
Nobel Petroleum USA	Loan receivable	$56,129
Pennpetro USA Corp	Loan receivable	$51,774
Nobel UK LLC	Loan payable	$34,142

These impairments have been recognised in the Company's statement of profit or loss.

There were no other material inter-company transactions between the Company and its subsidiaries during the year.

Group

Bank balances totalling $55,567 held in Nobel Petroleum USA Inc. was written off during the year due to the lack of reliable financial records and inability of the Directors being able to access the bank accounts.

27. ULTIMATE CONTROLLING PARTY

As at 31 March 2026, there was no ultimate controlling party.

28. EVENTS AFTER THE REPORTING PERIOD

On 7 April 2026, the Company resolved a historic share subscription facility liability of £427,157 by registering 6,000,000 ordinary shares in the name of Mr Jesse White. This action fully settles the outstanding balance that was recognised as a facility provision at 31 March 2026. The shares had previously been held by the Company due to registration issues arising from the original transaction.

On 12 May 2026, the Company entered into a convertible loan note agreement with RMD Group, a related party to provide the Company with £325,000 for working capital requirements.

The Company agreed in principle with RMD group to enter into a further convertible loan note agreement of £380,000 on substantially the same terms as the agreement entered into on 12 May 2026. As at the date of approval of these financial statements, the legal documentation remained in preparation, the agreement had not been executed and no funds had been received.

On 10 June 2026, the Company announced that it is pursuing several oil and gas opportunities which may result in one or more reverse takeovers. These include advanced discussions regarding the acquisition of an interest in the Limnytska oil and gas licence in Western Ukraine. The transactions are subject to due diligence, final contractual terms, funding arrangements, regulatory approvals including the publication of a prospectus where required, shareholder approval and restoration of trading in the Company's shares. RMD Group is providing short-term debt funding to enable these projects to progress pending completion of the formal processes. There can be no certainty that any of these opportunities will be completed. No adjusting events occurred between the reporting date and the date of approval of these financial statements.

Following the year end, the Company agreed a revised settlement terms with Global Emerging Markets ("GEM") in respect of the outstanding arrangement fee arising under a historic £20 million credit facility, for which GEM had previously obtained judgement against the Company. The settlement is conditional on the Company's shares returning to trading and is expected to be satisfied through the issue of shares to GEM with a value of approximately £400,000, based on the share price prevailing at that time. The number of shares to be issued cannot currently be determined. The revised arrangement also extends the Company's access to the GEM credit facility should it elect to use it in the future.

On 3 June 2026, the Group entered into an amendment agreement under which the remaining 49% interest in Pennpetro USA Corp was transferred to Petroquest. As this agreement was entered into after the reporting date, the transfer of the remaining interest has been treated as a non-adjusting event after the reporting period.

Document Information

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Name	Role	Authentication	Sign time
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