

RNS Number : 5046Y

Pennpetro Energy PLC

27 March 2026



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Pennpetro Energy Plc

("Pennpetro", "PPP", or "the Company")

Unaudited Consolidated Interim Results for the six months ended 30 September 2025

Pennpetro Energy plc (**LSE: PPP**), the company focused on developing strategic traditional and transition energy projects, is pleased to announce its financial results for the six months ended 30 September 2025 (the "**Period**").

Richard Spinks, Executive Chairman, commented:

The period from 1 April to 30 September 2025 was insightful in terms of the understanding I and my co-directors were able to gain surrounding both current and legacy situations at the Company^[1] which led the Company to the position it was in at that time. In short, a highly critical time for the Company and its shareholders; with limited options to continue,

lacking revenues, having failed in developing producing assets and being limited in funding options.

This period ended just prior to my appointment to the board of the Company.

RMD was approached in this period by Mr. Lunn, then Chairman at Pennpetro, seeking interim financial support for the business whilst long-term alternatives were sought, to reactivate the Texas assets, which had been effectively abandoned and left to deteriorate by former board directors and by the, then disinterested, US subsidiary management, in Texas.

Due diligence of the Company, its financial position and business activities, severely limited at the time due to a focus on fundraising at both Plc and US subsidiary levels meant that the Company's survival depended on whether RMD, in a position to make funds available in a timely fashion, would do so. This in turn depended on whether I, as RMD Group's representative, could see a viable way forward, and if so in what way those funds could best be used to arrest the Company's decline and turn around the Company's fortunes.

Initial production, producing some revenues, and limited success in Gonzales County, Texas, in the previous year, for a few months, had ceased due to failure by former management to manage the Company's Texan assets properly. This in turn led to ever increasing barriers to returning what the Company had, in the USA, to economically viable production, over time.

Post-period of these accounts, under my instruction as Executive Chairman, an internal review of the Company's activities in the USA both past and present was completed. Taking place through January and February 2026 and culminating in a report providing clarity as to the options the Company has, potentially, to bring the impaired Texas assets back to productivity and onto the balance sheet of the Company with clarity and control restored.

Rather than assisting in this process, those associated with the business, within whose gift it was to expedite the review and best positioned to provide background, facts, documentation and knowledge of the Company's activities in the United States, instead chose to obfuscate and delay access to the same. This made it more difficult to produce in a timely manner the most recently published audited accounts, resulting in delays, and for the board to make informed decisions on what was best for the Company and shareholders going forward.

Furthermore, it meant that Mavriky, unable to rely on support from our own people, physically needed to fly to and spend time in Texas, to speak directly with stakeholders, counterparties, lease owners, creditors, bankers and former employees and management of the Pennpetro US subsidiary companies, in an attempt to piece together, from scratch, fragments of information gleaned, one by one; that should have been readily available to him, immediately.

Until this information was collected and reassembled, the board took the difficult decision to impair the Company's assets in Texas until reliable information allowed the board to give warranties surrounding these balance sheet items enabling the board of the Company to decide the best approach based on the legal, economic and technical potential of the same.

That process has now been completed, and the board is ready to act on its findings.

Regarding the impaired assets in Texas, bearing in mind the current geopolitical situation globally and the need for the Company to develop into a profitable, cash generative business, the board have taken the decision, provided that the necessary administrative and protective processes can be completed, to restart production of one of the 4 wells in Texas, being Chalk Talk 1H resulting in short term revenue for the Company.

This may result in a partial or full reversal of the impairment loss for this asset as reported in prior periods, subject to an assessment to be made at balance sheet date.

Mavriky anticipates, subject to any time required for re-negotiation of the lease which was allowed to lapse by former management, that work could potentially begin within a matter of weeks from the date of this announcement, with production able to start very quickly thereafter.

Funding to return this well to production has been agreed with RMD Group, to enable the Company to unimpair that well, bring it back into production using improved technical approach and management best practices. From there Company management will address the other three impaired wells, assessing their potential and making decisions on their futures.

Looking ahead, and to avoid creating confusion by this statement, the Company continues to advance due diligence on a number of strategic opportunities including in certain locations in the USA and Alberta, Canada, in order to ensure that only solid and well diligenced opportunities able to provide geographical diversification and risk-mitigation in the Company's future operations, which will likely be provided in the first instance by the western Ukrainian Limnytskyi License, which the Company continues to develop as a target

for acquisition and intends to inform fully shareholders on before asking the Company's members to vote.

A prospectus is in the late stages of drafting and work on the ground in Ukraine continues to take place to allow for the first re-entry to be achieved in this calendar year, in order that no time is lost whilst the Company's involvement is developed in parallel. Further opportunities are being evaluated by Mavriky and once deemed ready for consideration, the board will be informed and more detailed information will be made available to the market, as appropriate.

The publication of these interim accounts is a significant milestone for the Company. Today, following a long suspension, being fully compliant in its statutory filings, with the Company having identified past shortcomings and taken action to ensure that this not be allowed to happen again through implementation of significantly enhanced corporate governance.

The board will, as requested repeatedly by our shareholders, apply for re-admission to trading on the exchange, once outstanding Compliance and Governance issues, of which there were many, and today remain few, are completely resolved. The reversal of the impairment of the first well in Texas being a significant step towards creating a viable operational business.

We will be holding an Annual General Meeting on, 6th May 2026, at which shareholders will be asked vote on the approval of the 2024/25 audited accounts and the appointment of certain directors to the board of Pennpetro Energy Plc, among other resolutions. This will be announced shortly and provide more necessary detail.

We are grateful for the patience and support shown by shareholders and remain focused on returning Pennpetro Energy Plc to trading, building value and returning value to you all.

Financial Highlights

In the six months ended 30 September 2025, the Company made an operating loss of US \$383K (30 September 2024: US \$733K) and a basic and diluted loss per share of US \$0.34 (30 September 2024: US \$0.71).

For further information please visit the Company's website www.pennpetroenergy.co.uk or follow us on twitter @pennpetro or contact:

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Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | 6 months to 30 September 2025 Unaudited \$'000 | 6 months to 30 September 2024 Unaudited \$'000 |
|------------------------------|---|---|
| Continuing operations | | |
| Revenue | - | 30 |
| Cost of sales | - | (56) |

| | | |
|--|---------------|---------------|
| Gross Loss | - | (26) |
| Administration expenses | (640) | (551) |
| Operating Loss | (640) | (577) |
| Other net gains/(losses) | 193 | - |
| Loss Before Interest and Income Tax | (447) | (577) |
| Finance costs | (94) | (157) |
| Finance income | 158 | - |
| Loss for the period | (383) | (734) |
| Loss attributable to: | | |
| - owners of the Group | (383) | (734) |
| Loss for the period | (383) | (734) |
| Other comprehensive income | | |
| Items that may be subsequently reclassified to profit or loss | | |
| Currency translation differences | (73) | (95) |
| Total comprehensive income | (456) | (829) |
| Attributable to: | | |
| - Owners of the Group | (456) | (829) |
| Total comprehensive income | (456) | (829) |
| Loss per share (cents) from continuing operations attributable to owners of the Parent - Basic and diluted | (0.34) | (0.71) |

CONDENSED CONSOLIDATED BALANCE SHEET

| | Notes | As at 30 September 2025 Unaudited \$'000 | As at 31 March 2025 Audited \$'000 | As at 30 September 2024 Unaudited \$'000 |
|--------------------------------------|-------|--|--|---|
| Non-Current Assets | | | | |
| Total Non-Current Assets | | - | - | - |
| Current Assets | | | | |
| Trade and other receivables | | - | - | 297 |
| Cash and cash equivalents | | 144 | 102 | 357 |
| | | 144 | 102 | 654 |
| Total Assets | | 144 | 102 | 654 |
| Non-Current Liabilities | | | | |
| Total Non-Current Liabilities | | - | - | - |
| Current Liabilities | | | | |
| Trade and other payables | | 2,697 | 2,404 | 2,320 |
| Borrowings | | 4,744 | 4,717 | 4,505 |
| Convertible loan | 4 | 178 | - | - |
| Total Current Liabilities | | 7,619 | 7,121 | 6,825 |
| Total Liabilities | | 7,619 | 7,121 | 6,825 |

| | | | |
|---|----------------|----------------|----------------|
| Net (Liabilities / Assets) | (7,475) | (7,019) | (6,171) |
| <hr/> | | | |
| Equity Attributable to owners of the Company | | | |
| Share Capital | 1,432 | 1,432 | 1,419 |
| Share Premium | 9,255 | 9,255 | 9,121 |
| Convertible reserve | 4,173 | 4,173 | 4,173 |
| Reorganisation reserve | (6,578) | (6,578) | (6,578) |
| Foreign exchange translation reserve | (319) | (354) | (342) |
| Retained losses | (15,438) | (14,947) | (13,964) |
| <hr/> | | | |
| Total equity attributable to owners of the Company | 7,475 | (7,019) | (6,171) |
| <hr/> | | | |
| Total Equity | 7,475 | (7,019) | (6,171) |
| <hr/> | | | |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| | Share \$'000 | capital \$'000 | Share premium \$'000 | Convertible reserve \$'000 | Reorganisation reserve \$'000 | Foreign exchange translation reserve \$'000 | Retained losses \$'000 | Total equity \$'000 |
|---|-----------------|-------------------|----------------------------|----------------------------------|-------------------------------------|---|------------------------------|---------------------------|
| As at 1 April 2024 | 1,278 | | 8,443 | 4,173 | (6,578) | (247) | (13,230) | (6,161) |
| Comprehensive income | | | | | | | | |
| (Loss) for the period | - | | - | - | - | - | (734) | (734) |
| Other comprehensive income | | | | | | | | |
| Currency translation differences | - | | - | - | - | (95) | - | (95) |

| | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|----------------|--------------|-----------------|----------------|
| Total comprehensive income | - | - | - | - | (95) | (734) | (829) |
| Issue of ordinary shares | 141 | 678 | - | - | - | - | 819 |
| Total transactions with owners | 141 | 678 | - | - | - | - | 819 |
| As at 30 September 2024 | 1,419 | 9,121 | 4,173 | (6,578) | (342) | (13,964) | (6,171) |

| Share capital | Share premium | Convertible reserve | Reorganisation reserve | Foreign exchange translation reserve | Retained losses | Total equity |
|---------------|---------------|---------------------|------------------------|--------------------------------------|-----------------|--------------|
| \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |

| | | | | | | | |
|---------------------------|--------------|--------------|--------------|----------------|--------------|-----------------|----------------|
| As at 1 April 2025 | 1,432 | 9,255 | 4,173 | (6,578) | (354) | (14,947) | (7,019) |
|---------------------------|--------------|--------------|--------------|----------------|--------------|-----------------|----------------|

Comprehensive income

| | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|----------------|--------------|-----------------|----------------|
| (Loss) for the period | - | - | - | - | - | (383) | (383) |
| <hr/> | | | | | | | |
| Other comprehensive income | | | | | | | |
| Currency translation differences | - | - | - | - | 35 | (108) | (73) |
| <hr/> | | | | | | | |
| Total comprehensive income | - | - | - | - | 35 | (491) | (456) |
| <hr/> | | | | | | | |
| Issue of ordinary shares | - | - | - | - | - | - | - |
| <hr/> | | | | | | | |
| Total transactions with owners | - | - | - | - | - | - | - |
| <hr/> | | | | | | | |
| As at 30 September 2025 | 1,432 | 9,255 | 4,173 | (6,578) | (319) | (15,438) | (7,475) |
| <hr/> | | | | | | | |

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | 30 September 2025 Unaudited \$'000 | 30 September 2024 Unaudited \$'000 |
|--|--|--|
| Note | | |
| Cash flows from operating activities | | |
| Loss before taxation | (383) | (734) |
| Adjustments for: | | |
| Exchange difference | (58) | (95) |
| Finance costs | 94 | 157 |
| Decrease in trade and other receivables | 11 | 12 |
| Increase in trade and other payables | 379 | 350 |
| Net cash used in operations | 43 | (310) |
| Cash flows from investing activities | | |
| Net cash used in investing activities | - | - |
| Cash flows from financing activities | | |
| Proceeds from issue of ordinary shares | - | 846 |

| | | |
|---|------------|------------|
| Cost of issue of ordinary shares | - | (27) |
| Finance costs | - | (157) |
| Net cash from financing activities | - | 662 |
| Increase in cash and cash equivalents | 43 | 352 |
| Cash and cash equivalents at beginning of period | 102 | 6 |
| Exchange differences on cash | (1) | (1) |
| Cash and cash equivalents at end of period | 144 | 357 |

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

The principal activity of Pennpetro Energy Plc ('the Company') and its subsidiaries (together 'the Group') is an oil and gas developer with assets in Texas, United States. The Company's US-based subsidiaries own 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. The Company's shares are listed on the standard market of the London Stock Exchange. The Company is incorporated and domiciled in England and Wales.

The address of the Company's registered office is 27-28 Eastcastle Street, London, W1W 8DH.

2. Basis of Preparation

The consolidated interim financial statements have been prepared in accordance with the recognition and measurement requirements of UK-adopted International Accounting Standards ("UK-adopted IAS"). As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing these interim financial statements. The consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2025, which have been prepared in accordance with UK-adopted IAS.

The consolidated interim financial statements set out above do not constitute statutory accounts. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of UK-adopted IAS. Statutory financial statements for the year ended 31 March 2025 were approved by the Board of Directors on 20 March 2026.

The consolidated interim financial statements are presented in United States dollars as the Company believes it to be the most appropriate and meaningful currency for investors. The functional currency of the Company is pounds sterling, and the functional currency of the US based subsidiaries is US dollars.

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 interim financial statements. This assessment considers 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 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 has access to funding through a convertible loan note ("CLN") arrangement with RMD Group finalised in September 2025.

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 removal of a significant creditor from the balance sheet 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.

Whilst the Directors are confident in the Company's ability to raise additional funds as required, from existing and/or new investors, 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 financial statements do not include adjustments that would arise in the event of the Group and Company not being able to continue as a going concern.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2025 Annual Report and Financial Statements. The key financial risks are market risk, commodity and currency risk, credit risk, and liquidity risk.

Critical accounting estimates and judgements

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses, and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2025 Annual Report and Financial Statements. Actual amounts may differ from these estimates. The nature and amounts of such estimates have not changed significantly during the interim period and no new critical estimates have arisen in the period.

3. Accounting Policies

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 March 2025 except for the impact of the adoption of the Standards and interpretations described below and new accounting policies adopted as a result of changes in the Group.

3.1 Changes in accounting policy and disclosures

The UK Endorsement Board has issued standards and interpretations effective for the first time for the financial period beginning 1 April 2024 for entities applying UK adopted International Accounting Standards. The Directors consider their adoption has not had any

significant impact on the disclosures or on the amounts reported in these interim financial statements.

The Directors have considered IFRS and amendments that are in issue but not yet in effect for the accounting period. They have assessed that none of these are expected to have a significant impact on the amounts reported in future periods or to disclosures, other than IAS 1 (amended) which has been adopted in these interim financial statements.

The amendments clarify that the classification of a liability is based on the rights that exist at the reporting date and introduce enhanced disclosure requirements where non-current classification depends on compliance with covenants tested after the reporting date. Adoption of these amendments did not result in any changes to the classification of the Group's borrowings in these interim financial statements.

4. Convertible loan note

On 24 September 2025, the Company entered a convertible loan note (CLN) agreement with RMD Group. The principal amount of the loan is £250,000 (\$336,020), the conversion price is £0.04 (\$0.05) per ordinary share and the annual interest rate is 6%. The CLN has a term of 3 years.

| RMD Group | 30 September 2025 |
|------------------|----------------------------------|
| \$'000 | \$'000 |

| | | |
|--|------------|--------------|
| Convertible loan note - opening liability | - | - |
| Principal amount received | 337 | 337 |
| Accrued interest for the period | 1 | 1 |
| IFRS 9 modification | (160) | (160) |
| Total | 178 | 178 |

5. Loss per share

The calculation of loss per share is based on a retained loss of \$383K for the six months ended 30 September 2025 (six months ended 30 September 2024: \$733K) and the weighted average number of shares in issue in the period ended 30 September 2025 of 112,299,089 (six months ended 30 September 2024: 103,277,231).

6. Events after the reporting period

On 29 January 2026, the Group announced that it had agreed a convertible loan note agreement with RMD Group. The principal amount of the loan is £250,000 (\$336,020), the conversion price is £0.04 (\$0.05) and the annual interest rate is 6%.

7. Approval of interim financial statements

The condensed interim financial statements were approved by the Board of Directors on 27 March 2026.

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