

27 May 2026

Europa Oil & Gas (Holdings) plc
(“Europa” or the “Company”)

Final results for the 17-months to 31 December 2025

Europa Oil & Gas (Holdings) plc, the AIM traded West Africa, UK and Ireland focused oil and gas exploration, development and production company, announces its final audited results for the 17-month period ended 31 December 2025.

The full Annual Report and Accounts will be available shortly on the Company’s website at www.europaoil.com and will be mailed to those shareholders who have requested a paper copy.

Financial Performance

17 months to 31 December 2025 versus 12 months to 31 July 2024

- Revenue £3.9 million (12 months to 31 July 2024: £3.6 million)
- Gross profit of £0.3 million (12 months to 31 July 2024: £0.3 million)
- Administrative expenses of £2.4 million (12 months to 31 July 2024: £1.9 million) representing a decrease on a pro-rata time basis
- Pre-tax loss of £2.7 million (12 months to 31 July 2024: £6.8 million)
- Net cash used in operating activities £0.2 million (12 months to 31 July 2024: £0.6 million)
- Cash balance at 31 December 2025: £0.3 million (31 July 2024: £1.5 million)

Operational Highlights

Equatorial Guinea

- In December 2025, the Company, via its 42.9% stake in Antler Global Limited (“Antler”), signed a binding Farm-out Agreement (“FOA”) with Fuhai (Beijing) Energy Limited (“Fuhai”) under which Fuhai acquired a 40% interest in the EG-08 PSC in offshore Equatorial Guinea, subject to the relevant regulatory approvals
- Fuhai will fund 95% of the Barracuda well costs (capped at \$53 million) with Antler funding the remaining 5%
- The well targets the 893 BCF Barracuda prospect
- Antler remains operator
- Fuhai will recover its carry (with interest on 45%, capped at 5%) from production revenues; interest is waived if no commercial discovery
- EG-08 holds ~2.2 TCF prospective resources (Pmean), with Barracuda as the primary target and estimated to be 893 BCF (Pmean) with an 80% chance of success
- Post-deal ownership: Antler 40% (Operator), Fuhai 40%, GEPetrol 20%, resulting in a net attributable percentage to Europa of 17.2%
- Drilling of Barracuda is expected to commence in late 2026 or early 2027 following receipt of necessary approvals

Offshore Ireland

- 100% interest in the FEL 4/19 licence containing the 1.5 TCF (Pmean) Inishkea West gas prospect, located near the Corrib gas field, enabling potential infrastructure synergies and low carbon-intensity gas supply
- Attractive project economics, with an estimated post-tax NPV10 of US\$2.0 billion
- The Company continues to seek a farm-in partner and believes the asset could be brought online quickly due to its proximity to existing infrastructure
- A successful discovery could supply over two thirds of Ireland's gas demand by 2030
- Post-Period end, the Phase 1 FEL 4/19 licence term was extended to 31 January 2028, providing additional time for technical evaluation and efforts to secure a farm-in partner

Onshore UK

- Wressle produced an average 281 bopd (Europa's net share: 84 bopd)
- Development plans include a new well targeting the Penistone Flags reservoir and a gas monetisation solution
- A five-year extension to the DL003 licence at West Firsby was secured in November 2025
- The Company continues to investigate and assess options to increase returns from the UK onshore sites

Post Reporting Period Events

- Europa successfully raised a total of £4.1 million, of which £3.5 million was through the placing of new ordinary shares to institutional investors. The Company also raised further aggregate gross proceeds of £640,000 following an oversubscribed WRAP retail offer, (the "Placing")
- The proceeds of the Placing will go towards financing drilling of the Barracuda prospect and provide general working capital to support working commitments on other licence interests. The Placing has further strengthened the Company's balance sheet and demonstrates the ongoing shareholder support for the business
- At Cloughton in North Yorkshire planning approval to test and appraise the commerciality of the 137 BCF resource was refused by the North Yorkshire Council planning committee in May 2026, against the recommendation of the Council's own planning officers. The Company is now assessing options with a view to appealing. The application is supported by 13 studies from independent experts, and a farm-in partner is being sought

Change of accounting reference date

- Last year, Europa announced a change to its accounting reference date from 31 July to 31 December. This change aligns the Company's financial reporting period with the calendar year and allows for enhanced comparability with peer companies in the oil and gas industry. It also aligns more closely with industry standard timeframes for project work programmes and budgets. As a result, the full annual report covers the 17-month period ending 31 December 2025. In accordance with Rule 18 of the AIM Rules, therefore, the Company has prepared these final results for the 17 months to 31 December 2025. The comparative figures are presented for the 12 months ended 31 July 2024.

William Holland, CEO of Europa, said:

"The 17-month period to 31 December 2025 has been the most significant in Europa's recent history, and one that I believe sets the Company on a genuinely transformational path. We have made meaningful progress across our portfolio, but

it is the signing of the Farm-out Agreement with Fubai Energy in Equatorial Guinea that stands out as the defining moment of the period.

The farmout of a 40% interest in the EG-08 licence to Fubai, securing a carry on the Barracuda exploration well, is the direct result of three years of careful technical and commercial work since we first acquired our stake in Antler. Fubai's decision to commit is a powerful endorsement of the quality of the asset given their scale and experience as a major player in China's petrochemicals sector. With an estimated 893 BCF (Pmean) of prospective resource, coupled with an 80% geological chance of success, Barracuda is a genuinely high-quality exploration target, and we are targeting spud in Q4 2026 or early 2027.

Beyond EG-08, encouraging progress continues to be made across our broader portfolio. At Wressle, production averaged 281 bopd gross throughout the period and the development plan to target the Penistone Flags reservoir continues to advance. In Ireland, Inishkea West remains an exceptional undrilled gas prospect and the recently approved licence extension to January 2028 gives us additional time to secure the right farm-in partner. We remain confident in the merits of the Cloughton gas appraisal well and are pursuing an appeal whilst opening a data room to attract a farm-in partner.

The oversubscribed £4.1 million equity raise completed after the period end reflects the continued support of our shareholders and strengthens our balance sheet ahead of what promises to be an exciting year. We remain debt-free, our UK production continues to generate cash, and we now have a funded pathway to drilling a well that could genuinely change the scale of the business. We look forward to keeping shareholders updated as we move towards that milestone.”

For further information, please visit www.europaoil.com or contact:

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Chairman's Statement

As we move into the next phase of Europa's development, I am pleased to reflect on a period of meaningful progress across our portfolio. Although we continue to tackle ongoing volatility in global energy markets, Europa has successfully advanced its strategic priorities, maintained disciplined capital management, and achieved key milestones that we believe will prove transformational for the Company in the years ahead.

I have been a long-term shareholder in the Company, and I am excited to lead the Board through what should be an exciting and transformational period for the Company and its shareholders.

Europa successfully raised a total of £4.1 million, of which £3.5 million was through a placing in March 2026, strengthening our working capital position and underpinning funding for the drilling of the Barracuda prospect and our wider licence commitments. This was complemented by an oversubscribed WRAP retail offer which raised further funds of approximately £640,000, demonstrating continued support from both existing and new shareholders for our strategy and providing us with greater financial flexibility. The resulting dilution was dictated as always by market conditions for small companies, but it did provide the basis for what may prove to be a transformational upside.

Building on the anticipated momentum from our expansion into Equatorial Guinea, having now secured a strong, well financed farm-in partner to carry us through drilling, alongside ongoing developments at our UK onshore sites in Cloughton and Wressle and a further licence extension for our Irish assets, I am confident that Europa remains in a strong position to sustain its growth trajectory. I look forward to keeping shareholders informed of our progress as we move forward in 2026 and beyond.

Equatorial Guinea

We achieved a pivotal milestone in December 2025 with the signing of a formal Farm-out Agreement with Fuhai, under which Antler agreed to farm out a 40% interest in the EG-08 PSC in offshore Equatorial Guinea. This agreement represents a significant milestone for Europa and validates the quality of the asset, set to be one of the highest-profile exploration wells to be drilled in the region. Fuhai is a large and important player in China's petrochemicals market, and we are delighted to have entered an agreement with such an excellent partner that shares Europa's ambition to drill and develop the Barracuda prospect as expeditiously as possible. Their involvement is testament to the valuable potential of the well: it is estimated to hold 893 BCF (Pmean) of prospective resource with an 80% chance of success, supported by direct hydrocarbon indications on seismic data. When coupled with the wealth of exploration and development project experience held by the Europa team, it is clear to see the underlying strength of the opportunity.

Fuhai will fund 95% of the total cost of the drilling of Barracuda, removing the capital burden from Europa whilst preserving material upside for shareholders with the net attributable percentage to Europa standing at 17.2%¹. Our intention is to drill Barracuda at the earliest opportunity, and we currently expect drilling to commence in late 2026 or early 2027 following necessary approvals, which we remain confident will be secured. We therefore view EG-08 as a high value, low risk opportunity that could be swiftly brought into production once appraised given its proximity to existing infrastructure.

We believe a successful result at Barracuda would be genuinely transformational for the Company. In the lead-up to the Farm-out Agreement, the EG-08 licence also benefitted from a 12-month Phase 1 extension, as announced in October 2025, which provided the necessary runway to complete commercial negotiations and ensure the pathway to drilling remains firmly intact.

Offshore Ireland

In offshore Ireland, Europa holds a 100% interest in the FEL 4/19 licence, containing the large Inishkea West gas prospect, which has an estimated Pmean prospective resource of 1.5 TCF and a post-tax NPV10 of US\$2.0 billion. The prospect offers a compelling combination of scale, low-carbon credentials, with a carbon intensity of just 2.8 kg CO₂/boe versus 36 kg CO₂/boe for UK-imported gas, and proximity to the producing Corrib gas field infrastructure. The prospect also has the potential to play a key role in the transition to renewable power, as a source of low emission energy for Ireland, reducing their reliance on imported gas.

Europa continues to actively market Inishkea West to potential farm-in partners, and the Irish government's increasing focus on domestic energy security continues to provide a constructive backdrop for this asset. Post period-end, the Irish Government's Department of Climate, Energy and the Environment approved the extension of the FEL 4/19 Licence to 31 January 2028, which will enable further technical studies of the licence to be completed and provides us with additional time to secure an appropriate partner.

Onshore UK

Our onshore UK portfolio continues to deliver steady operational progress across each of our producing and development assets and underpins our efforts to advance the development of our other high-potential assets. We also see significant opportunities for growth in our onshore UK assets, with the current macroeconomic climate emphasising the importance of reliable, domestic energy supplies.

¹ Europa holds 42.9% of the shares in Anter and Antler now has a 40% interest in EG-08 (0.429 x 0.4 = 17.2%)

After the currently scheduled end of the Energy Profits Levy, or windfall tax, in early 2030, the replacement Oil & Gas Price Mechanism (OGPM) will reduce the headline tax rate on profits for UK producers to 40%, down from 78%. The OGPM regime will tax actual revenues in excess of certain thresholds, currently \$90 per barrel for oil and 90 pence per therm for gas, at 35%. We believe this could increase the attractiveness of our onshore UK assets.

At Wressle, our most significant producing asset, gross production averaged 281 barrels of oil per day (“bopd”) throughout the 17-month period, with Europa’s net share equating to 84 bopd. The Wressle development plan is advancing to deliver the next phase of growth, including a development well to target the Penistone Flags reservoir, as well as a gas monetisation solution. Planning application for the Penistone Flags reservoir is set to be determined by North Lincolnshire’s Council after the operator has submitted an environmental statement (ES) to support the application. The ES will focus upon the use of a non-renewable resource and climate change impacts, socio economic matters and cumulative effects, and is expected to be submitted in Q2 2026.

A further important milestone for our UK onshore business came in November 2025 with the announcement of a five-year extension to the DL003 licence, which holds the Company’s West Firsby asset. This extension provides operational continuity and the long-term framework within which to optimise and maximise the value of this producing field.

At Cloughton, our 40%-owned gas appraisal opportunity in North Yorkshire, the planning application for appraisal drilling was rejected by the Planning Committee of North Yorkshire Council in May 2026. The rejection was despite 13 independent reports that all supported the planning application confirming that the selected pad location is well-suited for the appraisal well and the potential development of the 137 BCF gas-in-place resource. The Company is currently reviewing its options with a view to appealing the decision and is confident that on appeal the planning permission will be approved.

We have opened a data room for Cloughton and are actively seeking a farm-in partner to fund the appraisal of the Cloughton gas discovery. The potential to unlock considerable value from a successful appraisal is substantial, and with the assistance of the newly stated OGPM, will further enhance Cloughton’s attractiveness to prospective partners.

Board

The period saw important changes to the composition of the Board. In December 2024, I was appointed to the Board as Non-Executive Director, before becoming Non-Executive Chairman two months later. I have long held the view that Europa has considerable underlying potential and have continued to grow my equity stake in the business over the past year, reinforcing my alignment with shareholders and support for the Company’s strategy. Now well-established in that role, I remain focused on supporting the Europa Board and management team to deliver on our goal of delivering substantial shareholder value through our strong portfolio of producing, appraisal and exploration assets.

To ensure the correct balance of independence on the Board, Alastair Stuart stepped down from the Board in December 2024 but has continued in his role as Chief Operating Officer, providing valuable guidance and playing a crucial role in the execution of the Company’s strategy.

Brian O’Cathain also made the decision to resign from the Board in February 2025, and I would like to reiterate our thanks to Brian for his valuable contributions to the business over the past seven years. On behalf of the Board, we wish him every success in the future.

Importantly, I am grateful to all our Board members and the wider management team for their commitment and hard work throughout what has been a particularly busy period for the Company.

Market Commentary

Early 2026 has seen a large shift in the global energy landscape, with recent events in the Middle East leading to significant oil and gas price fluctuations and wider supply chain disruption. Whilst the short-term outlook has become increasingly difficult to predict, discussions surrounding the importance of

domestic energy security have become increasingly common and our reliance on imported hydrocarbons has exposed structural vulnerabilities in supply. With this set to become a priority, we believe Europa's assets are well positioned to play a meaningful role in supporting secure and responsible energy supply in its core markets.

Outlook

Looking ahead, Europa is well placed to capitalise on the momentum it has built throughout the past 17 months, with the EG-08 Farm-out Agreement and anticipated drilling of Barracuda later in the year in particular providing further certainty for the Company's short-term outlook. Despite being an exploration well, Barracuda carries relatively low geological risk given its proximity to existing discoveries and the successful application of regional AVO² technology, yet the potential upside in the event of a successful result is transformational in scale for Europa.

In the UK, we are pursuing parallel workstreams across Wressle, Cloughton, Crosby Warren and West Firsby, each offering meaningful value creation and collectively providing a stable revenue base from which to pursue the development of our wider portfolio. In Ireland, Inishkea West remains one of the most attractive undrilled gas prospects on the Atlantic Margin, and we are confident in its potential to attract a partner commensurate with the scale of the opportunity.

On behalf of the Board, I would like to take this opportunity to thank the entire Europa team for the hard work that has brought the Company to this exciting juncture, alongside our shareholders for their continued support. We look forward to what we expect to be an exciting year for Europa as we advance towards spudding the Barracuda well and progressing our wider portfolio to unlock substantial shareholder value.

Bo Krøll
Non-Executive Chairman
Europa Oil & Gas (Holdings) PLC
26 May 2026

The financial information set out below does not constitute the company's statutory accounts for 2025 or 2024 as defined in sections 435 (1) and (2) of the Companies Act 2006. The financial information has been prepared in accordance with UK adopted international accounting standards on a basis that is consistent with the accounting policies applied by the group in its audited consolidated financial statements for the 17 months ended 31 December 2025. Statutory accounts for the 17 months ended 31 December 2025 and the 12 months ended 31 July 2024 have been reported on by the Independent Auditors. The Independent Auditors' Report on the Annual Report and Financial Statements for 2025 and 2024 were unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006. Statutory accounts for the 12 months ended 31 July 2024 have been filed with the Registrar of Companies. The statutory accounts for the 17 months ended 31 December 2025 will be delivered to the Registrar following the Company's annual general meeting.

Qualified Person Review

This release has been reviewed by Alastair Stuart, Europa's Chief Operating Officer, who is a petroleum engineer with over 35 years' experience and a member of the Society of Petroleum Engineers and has consented to the inclusion of the technical information in this release in the form and context in which it appears.

² AVO - Amplitude Versus Offset is a seismic analysis technique that studies how reflected sound-wave strength changes with distance to help identify different underground rock and fluid types, such as oil and gas

Consolidated statement of comprehensive income

For the 17-month period ended 31 December 2025

		17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
Continuing operations			
Revenue	2	3,908	3,566
<i>Cost of sales</i>	2	<i>(3,293)</i>	<i>(3,117)</i>
<i>Impairment of producing fields</i>	12	<i>(323)</i>	<i>(189)</i>
Total cost of sales		<u>(3,616)</u>	<u>(3,306)</u>
Gross profit		292	260
Exploration impairment	11	-	(4,968)
Profit on disposal of license interest	9	170	-
Administrative expenses		(2,446)	(1,855)
Share of loss from associate		(16)	(2)
Finance income	6	9	223
Finance expense	7	(746)	(439)
Loss before taxation	3	<u>(2,737)</u>	<u>(6,781)</u>
Taxation expense	8	-	-
Loss for the year		<u>(2,737)</u>	<u>(6,781)</u>
Other comprehensive loss			
Items which may be reclassified to loss			
Exchange differences on translation of foreign operations		(105)	(17)
Total other comprehensive loss		<u>(105)</u>	<u>(17)</u>
Total comprehensive loss for the year attributable to the equity shareholders of the parent		<u>(2,842)</u>	<u>(6,798)</u>
Loss per share (LPS) attributable to the equity shareholders of the parent from continuing operations	Note	Pence per share	Pence per share
Basic LPS	10	(0.29)p	(0.71)p
Diluted LPS		(0.29)p	(0.71)p

Consolidated statement of financial position

For the 17-month period ended 31 December 2025

		At 31 December 2025 £000	At 31 July 2024 £000
<i>Assets</i>			
Non-current assets			
Intangible assets	11	3,062	2,664
Property, plant and equipment	12	1,241	1,928
Investments in joint ventures	13a	2,285	2,406
Total non-current assets		6,588	6,998
Current assets			
Inventories	14	13	9
Trade and other receivables	15	650	1,309
Cash and cash equivalents		294	1,463
Total current assets		957	2,781
Total assets		7,545	9,779
<i>Liabilities</i>			
Current liabilities			
Financial liabilities designated at fair value through profit and loss	16	(155)	-
Trade and other payables	17	(929)	(1,387)
Total current liabilities		(1,084)	(1,387)
Non-current liabilities			
Financial liabilities designated at fair value through profit and loss	16	(139)	-
Trade and other payables	17	-	(6)
Long-term provisions	20	(5,199)	(4,607)
Total non-current liabilities		(5,338)	(4,613)
Total liabilities		(6,422)	(6,000)
Net assets		1,123	3,779
<i>Capital and reserves attributable to equity holders of the parent</i>			
Share capital	21	9,592	9,592
Share premium	21	23,682	23,682
Merger reserve	21	2,868	2,868
Foreign currency translation reserve	21	(122)	(17)
Retained deficit		(34,897)	(32,346)
Total equity		1,123	3,779

These financial statements were approved by the board of directors and authorised for issue on 26 May 2026 and signed on its behalf by:

William Holland, CEO

Company registration number 05217946

The accompanying notes form part of these financial statements.

Company statement of financial position

For the 17-month period ended 31 December 2025

		At 31 December 2025 £000	At 31 July 2024 £000
	Note		
<i>Assets</i>			
Non-current assets			
Property, plant and equipment	12	9	37
Investments	13b	354	2,343
Investments in joint ventures	13a	2,425	2,425
Amounts due from Group companies	15,23	557	5,502
Total non-current assets		<u>3,345</u>	<u>10,307</u>
Current assets			
Other receivables	15	289	236
Cash and cash equivalents		98	164
Total current assets		<u>387</u>	<u>400</u>
Total assets		<u>3,732</u>	<u>10,707</u>
<i>Liabilities</i>			
Current liabilities			
Trade and other payables	17	(697)	(436)
Total current liabilities		<u>(697)</u>	<u>(436)</u>
Trade and other payables	17	-	(6)
Total non-current liabilities		<u>-</u>	<u>(6)</u>
Total liabilities		<u>(697)</u>	<u>(442)</u>
Net assets		<u>3,035</u>	<u>10,265</u>
<i>Capital and reserves attributable to equity holders of the parent</i>			
Share capital	21	9,592	9,592
Share premium	21	23,682	23,682
Merger reserve	21	2,868	2,868
Retained deficit		(33,107)	(25,877)
Total equity		<u>3,035</u>	<u>10,265</u>

The Company has taken advantage of the exemption provided under Section 408 of the Companies Act 2006 not to publish its individual statement of comprehensive income and related notes. The loss dealt with in the financial statements of the parent Company is £7,416,000 (2024: £14,356,000).

These financial statements were approved by the board of directors and authorised for issue on 26 May 2026, and signed on its behalf by:

William Holland

CEO

Company registration number 05217946

The accompanying notes form part of these financial statements.

Company statement of changes in equity

	Share capital £000	Share premium £000	Merger reserve £000	Retained deficit £000	Total equity £000
Balance at 1 August 2023 originally stated	9,592	23,682	2,868	(11,619)	24,523
Comprehensive loss for the year					
Loss for the year attributable to the equity shareholders of the parent	-	-	-	(14,356)	(14,356)
Total comprehensive loss for the year	-	-	-	(14,356)	(14,356)
Contributions by and distributions to owners					
Share-based payments (Note 22)	-	-	-	98	98
Total contributions by and distributions to owners	-	-	-	98	98
Balance at 31 July 2024	<u>9,592</u>	<u>23,682</u>	<u>2,868</u>	<u>(25,877)</u>	<u>10,265</u>

	Share capital £000	Share premium £000	Merger reserve £000	Retained deficit £000	Total equity £000
Balance at 1 August 2024 originally stated	9,592	23,682	2,868	(25,877)	10,265
Comprehensive loss for the year					
Loss for the period attributable to the equity shareholders of the parent	-	-	-	(7,416)	(7,416)
Total comprehensive loss for the period	-	-	-	(7,416)	(7,416)
Contributions by and distributions to owners					
Share-based payments (Note 22)	-	-	-	186	186
Total contributions by and distributions to owners	-	-	-	186	186
Balance at 31 December 2025	<u>9,592</u>	<u>23,682</u>	<u>2,868</u>	<u>(33,107)</u>	<u>3,035</u>

The accompanying notes form part of these financial statements

Consolidated statement of cash flows

For the 17-month period ended 31 December 2025

		17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
<i>Cash flows used in operating activities</i>			
Loss after tax from continuing operations		(2,737)	(6,781)
Adjustments for:			
Share-based payments	22	186	98
Depreciation	12	854	781
Impairment of producing field	12	323	189
Exploration impairment	11	-	4,968
Share of loss from joint venture		16	2
Profit on disposal of license interest	9	(170)	-
Finance income		(9)	(223)
Finance expense	7	746	439
Decrease/(increase) in trade and other receivables		328	(416)
(Increase) /decrease in inventories		(4)	10
Increase in trade and other payables		305	320
Net cash used in operating activities		(162)	(613)
<i>Cash flows used in investing activities</i>			
Purchase of property, plant and equipment		(551)	(679)
Purchase of intangible assets		(398)	(486)
Investment in joint venture	13	(287)	(2,138)
Proceeds on disposal of licence interest	9	28	-
Net cash used in investing activities		(1,208)	(3,303)
<i>Cash flows from / (used in) financing activities</i>			
Proceeds from Revenue Swap Agreement liability	16	370	-
Repayment of Revenue Swap Agreement liability	16	(102)	-
Lease liability payments		(8)	(7)
Lease liability interest payments		-	(1)
Finance costs		(19)	(1)
Net cash generated from / (used in) financing activities		241	(9)
Net decrease in cash and cash equivalents		(1,129)	(3,925)
Exchange (loss) / gain on cash and cash equivalents		(40)	223
Cash and cash equivalents at beginning of year		1,463	5,165
Cash and cash equivalents at end of year		294	1,463

The accompanying notes form part of these financial statements.

Company statement of cash flows

For the 17-month period ended 31 December 2025

		17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
<i>Cash flows used in operating activities</i>	Note		
Loss after tax from continuing operations		(7,416)	(14,356)
Adjustments for:			
Share-based payments	22	186	98
Depreciation	12	34	26
Movement in intercompany loan provision	23	6,701	15,567
Impairment of investment in subsidiaries	13b	1,989	-
Finance income		(2,915)	(2,333)
Finance expense		1	1
Increase in trade and other receivables		(52)	(105)
Increase / (decrease) in trade and other payables		549	(101)
Net cash used in operating activities		<u>(923)</u>	<u>(1,203)</u>
<i>Cash flows from investing activities</i>			
Purchase of property, plant and equipment		(6)	(14)
Investment in joint venture		(287)	(2,138)
Movement on loans to Group companies		1,159	3,407
Net cash flows generated from investing activities		<u>866</u>	<u>1,255</u>
<i>Cash flows used in financing activities</i>			
Lease liability principal payment		(78)	(7)
Lease liability interest payment		-	(1)
Finance costs		(1)	(1)
Net cash used in financing activities		<u>(9)</u>	<u>(9)</u>
Net (decrease) / increase in cash and cash equivalents		(66)	43
Cash and cash equivalents at beginning of year		<u>164</u>	<u>121</u>
Cash and cash equivalents at end of year		<u>98</u>	<u>164</u>

The accompanying notes form part of these financial statements.

Notes to the financial statements

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Accounting Policies

General information

Europa Oil & Gas (Holdings) PLC is a public company incorporated and domiciled in England and Wales, limited by shares, with registered number 05217946. The address of the registered office is 54 Charlotte Street, London, W1T 2NS. The principal activity of the company is oil and gas exploration, appraisal, development and production.

The functional and presentational currency of the Company is Sterling (UK£), which is also the presentational currency of the Group.

Basis of accounting

The consolidated and individual Company financial statements have been prepared in accordance with applicable UK adopted International Accounting Standards.

The accounting policies that have been applied in the opening statement of financial position have also been applied throughout all periods presented in these financial statements. These accounting policies comply with each IFRS that is mandatory for accounting periods ending on 31 December 2025.

(i) New and amended standards adopted by the Group and Company:

The following amendment became effective in the year ended 31 December 2025.

Standard	Description	Effective date
IAS 21	Amendment – Lack of Exchangeability	1 January 2025

The above amendment has not had a material impact on the Group or Company.

(ii) Standards, amendments and interpretations, which are effective for reporting periods beginning after the date of these financial statements which have not been adopted early:

At the date of authorisation of these financial statements, the Group and Company have not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Standard	Description	Effective date
IFRS 7 / IFRS 9	Amendment – Classification and Measurement of Financial Instruments	1 January 2026
IFRS 7 / IFRS 9	Amendment – Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements)	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 and Company are currently assessing the effect of these new accounting standards and amendments. IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures. The Group does not expect to be eligible to apply IFRS 19.

Going concern

The directors have prepared a cash flow forecast for the period ending 31 May 2027 (the “going concern period”), which considers the continuing and forecast cash inflow from the Group’s producing assets, the cash held by the Group at May 2026, less administrative expenses and planned capital expenditure.

The Group completed an equity fund raise in March 2026 which raised £3.9 million after fees. As at May 2026 the Group had unrestricted cash balances of £2.9 million and no borrowings.

Oil price estimates for the base case cash flow forecast are based on a flat \$85 per barrel. The April 2026 ERCE Sproule forecast price for a barrel of Brent oil is \$90 average for 2026 and \$80 for 2027. Production estimates are sourced from the Group’s internal modelling for its assets, including Wressle, and recent actual production.

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The Group has planned, but as yet not-committed, capital expenditures related to its projects for which the timing of the expenditure is uncertain and depended on factors outside the control of the Group, such as the regulatory approval of the Fuhai FOA and being granted planning consents and permits to conduct operations.

In respect of its investment in Antler Global Limited, the Group has ring-fenced sufficient funds to enable it to discharge all potential obligations in relation to drilling and testing the Barracuda well on licence EG-08, including all administrative expenses not benefitting from the Fuhai carry, up to the fourth quarter of 2027. In relation to the Group's planned further development of Wressle, the joint venture group of which it is a part has decided that further wells will only be drilled on condition of obtaining project financing. Planned capital expenditure on Wressle from own funds is therefore limited to capital maintenance of the current production facility.

The directors have performed sensitivity analyses stress testing the Group's ability to fund its planned expenditures over the going concern period. Excluding unexpected production curtailment, the Group expects to have sufficient funds for the going concern period with a realised average oil price as low as \$70 per barrel. In the base case oil price scenario of \$85 per barrel the Group will be able to withstand extreme downside scenarios in relation to production, including up to 3 months without production from Wressle. The directors consider the likelihood of such an extended shut down as unlikely.

The directors have concluded, as at the date of approval of these financial statements, that there is a reasonable expectation that the Group and Company will still have sufficient cash resources to be able to continue as a going concern and meet its obligations as and when they fall due over the going concern period.

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. Intra Group balances are eliminated on consolidation. Unrealised gains on transactions between the Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

The Group is engaged in oil and gas exploration, development and production through unincorporated joint operations.

Joint arrangements

Joint arrangements are those arrangements in which the Group holds an interest on a long-term basis which are jointly controlled by the Group and one or more venturers under a contractual arrangement. When these arrangements do not constitute entities in their own right, the consolidated financial statements reflect the relevant proportion of costs, revenues, assets and liabilities applicable to the Group's interests in accordance with IFRS 11. The Group's exploration, development and production activities are presently conducted jointly with other companies in this way.

For the licences where the Group does not hold 100% equity (refer to the licence interests table) a joint arrangement exists. The equity and voting interest of the Group is disclosed in the table, activities are typical for activities in the oil and gas sector and are strategic to the Group's activities. The principal place of business for all the joint arrangements is the UK.

Investments in joint ventures

Investments in joint ventures shall be recognised when the Group has joint control and rights to the net assets of the arrangement. The equity method of accounting will be applied to investments in joint ventures. Under this method, the Group's investment is initially recognised at cost, including direct incremental transaction costs, and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the joint venture. The Group's share of joint ventures' profit or loss is recognised in the Group's statement of comprehensive income. Where necessary, adjustments are made to the financial statements of joint ventures to bring the accounting policies used into line with those of the Group. Distributions received from joint ventures will reduce the carrying amount of the investments. Unrealised gains or losses on other transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in them. At each reporting date, the Group will assess whether there is any indication that investments in joint ventures may be impaired. An impairment loss will be recognised when the recoverable amount of the investment is less than its carrying amount. The Company will recognise its investment in the joint venture at cost less impairment losses.

Revenue recognition

The Group follows IFRS 15. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue when control passes on the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Contracts with customers are presented in an entity's balance sheet as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. The Group's accounting policy under IFRS 15 is that revenue is recognised when the Group satisfies a performance obligation by transferring oil to a customer. The title to oil and gas typically transfers to a customer at the same time as the customer takes physical possession of the oil or gas. Typically, at this point in time, the performance obligations of the Group are fully satisfied.

Revenue is measured based on the consideration to which the Group expects to be entitled under the terms of a contract with a customer. The consideration is determined by the quantity and price of oil and gas delivered to the customer at the end of each month.

Non-current assets

Oil and gas interests

The financial statements with regard to oil and gas exploration and appraisal expenditure have been prepared under the full cost basis. This accords with IFRS 6 which permits the continued application of a previously adopted accounting policy. The unit of account for exploration and evaluation assets is the individual licence.

Pre-production assets

Pre-production assets are categorised as intangible assets on the statement of financial position. Pre-licence expenditure is expensed as directed by IFRS 6. Expenditure on licence acquisition costs, geological and geophysical costs, costs of drilling exploration, appraisal and development wells, and an appropriate share of overheads (including directors' costs) are capitalised and accumulated on a licence-by-licence basis. These costs which relate to the exploration, appraisal and development of oil and gas interests are initially held as intangible non-current assets pending determination of technical feasibility and commercial viability. On commencement of production these costs are tested for impairment prior to transfer to production assets. If licences are relinquished, or assets are not deemed technically feasible or commercially viable, accumulated costs are written off to cost of sales.

Production assets

Production assets are categorised within property, plant and equipment on the statement of financial position. With the determination of commercial viability and approval of an oil and gas project the related pre-production assets are transferred from intangible non-current assets to tangible non-current assets and depreciated upon commencement of production within the appropriate cash generating unit.

Impairment tests

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units) as disclosed in Notes 11 and 12. As a result, some assets are tested individually for impairment and some are tested at cash generating unit level.

In accordance with IAS 36 the Group assesses annually whether there are indicators that assets are impaired. Impairment tests are performed when indicators are identified. In addition, indicators such as a lack of funding or farmout options for a licence which is approaching termination or the implied value of a farm-out transaction are considered as indicators of impairment.

An impairment loss is recognised and charged to cost of sales for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist or have decreased. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or cash generating unit's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset or cash generating unit does not exceed either its recoverable amount, or the carrying amount that would have been determined, net of depreciation/amortisation, had no impairment loss been recognised for the asset or cash generating unit in prior years. Such a reversal is credited to cost of sales.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Depreciation

All expenditure within tangible non-current assets is depreciated from the commencement of production, on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of proven plus probable commercial reserves at the end of the period, plus the production in the period. Costs used in the unit of production calculation comprise the net book value of capitalised costs. Changes in the estimates of commercial reserves or future field development costs are dealt with prospectively.

Furniture and computers are depreciated on a 25% per annum straight line basis.

Reserves

Proven and probable oil and gas reserves are estimated quantities of commercially producible hydrocarbons which the existing geological, geophysical and engineering data shows to be recoverable in future years. The proven reserves included herein conform to the definition approved by the Society of Petroleum Engineers ("SPE") and the World Petroleum Congress ("WPC"). The probable and possible reserves conform to definitions of probable and possible approved by the SPE/WPC using the deterministic methodology. Reserves used in accounting estimates for depreciation are updated periodically to reflect management's view of reserves in conjunction with third party formal reports. Reserves are reviewed at the time of formal updates or as a consequence of operational performance, plans and the business environment at that time.

Reserves are adjusted in the year that formal updates are undertaken or as a consequence of operational performance and plans, and the business environment at that time, with any resulting changes not applied retrospectively.

Future decommissioning costs

A provision for decommissioning is recognised in full at the point that the Group has an obligation to decommission an appraisal, development or producing well. A corresponding non-current asset (included within producing fields in note 12) of an amount equivalent to the provision is also created. The amount recognised is the estimated cost of decommissioning, discounted to its net present value and is reassessed each year in accordance with local conditions and requirements. The discount rate used is the risk-free rate, adjusted for risks that are not already included in the forecast cash flows. For producing wells, the asset is subsequently depreciated as part of the capital costs of production facilities within tangible non-current assets, on a unit of production basis. Any decommissioning obligation in respect of a pre-production asset is carried forward as part of its cost and tested annually for impairment in accordance with the above policy.

Changes in the estimates of commercial reserves or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to the decommissioning asset. The unwinding of the discount on the decommissioning provision is included within finance expense.

Acquisitions of exploration licences

Acquisitions of exploration licences through acquisition of non-operational corporate structures that do not represent a business, and therefore do not meet the definition of a business combination, are accounted for as the acquisition of an asset. Related future consideration that is contingent is not recognised as an asset or liability until the contingent event has occurred.

Taxation

Current tax is the tax payable based on taxable profit/(loss) for the year.

Deferred income taxes are calculated using the balance sheet liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. Tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary difference will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Foreign currency

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The Group and Company prepare their financial statements in Sterling.

Transactions denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Any exchange differences arising on the settlement of items or on translating items at rates different from those at which they were initially recorded are recognised in the Statement of comprehensive income in the period in which they arise. Exchange differences on non-monetary items are recognised in the Statement of changes in equity to the extent that they relate to a gain or loss on that non-monetary item taken to the Statement of changes in equity, otherwise such gains and losses are recognised in the Statement of comprehensive income.

Europa Oil & Gas (Holdings) PLC is domiciled in the UK, which is its primary economic environment and the Company's functional currency is Sterling. The Group's current operations are based in the UK and Ireland and the functional currencies of the Group's entities are the prevailing local currencies in each jurisdiction. Given that the functional currency of the Company is Sterling, management has elected to continue to present the consolidated financial statements of the Group and Company in Sterling.

Investments

Investments, which are only investments in subsidiaries, are carried at cost less any impairment. Additions include the net value of share options issued to employees of subsidiary companies less any lapsed, unvested options.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are classified as either financial assets at amortised cost, at fair value through other comprehensive income ('FVTOCI') or at fair value through profit or loss ('FVPL') depending upon the business model for managing the financial assets and the nature of the contractual cash flow characteristics of the financial asset.

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVPL, at the end of each reporting period. The Group applies a simplified approach to measure the credit loss allowance for trade receivables using the lifetime expected credit loss provision. The lifetime expected credit loss is evaluated for each trade receivable taking into account payment history, payments made subsequent to year end and prior to reporting, past default experience and the impact of any other relevant and current observable data. The Group applies a general approach on all other receivables classified as financial assets. The general approach recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired.

Fair value through other comprehensive income

The Group has a number of strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investment's carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

Amortised cost

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This category is the most relevant to the Company. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The losses arising from impairment are recognised in a separate line in the income statement. This category generally applies to trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents are carried at cost and include all highly liquid investments with a maturity of three months or less.

Restricted cash are those amounts held by third parties on behalf of the Group and are not available for the Group's use; these are recognised separately from cash and cash equivalents on the balance sheet.

Financial liabilities

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 the 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 ("FVTPL"). The revenue swap liability (Note 16) is the only financial liability of the Group designated at FVTPL.

Financial liabilities designated at FVTPL are initially recognised at fair value, which typically corresponds to the fair value of the proceeds received. Transaction costs incurred on such liabilities are recognised immediately in profit or loss. Subsequent to initial recognition, these liabilities are remeasured to fair value at each reporting date, with changes in the fair presented within finance costs or finance income in the statement of comprehensive income.

Trade and other payables

Trade and other payables are initially recorded at fair value and subsequently carried at amortised cost.

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 statement of comprehensive income.

Treatment of finance costs

All finance costs are expensed through the income statement. The Group does not incur any finance costs that qualify for capitalisation.

Defined contribution pension schemes

The pension costs charged against profits are the contributions payable to the scheme in respect of the accounting period.

Inventories

Inventories comprise oil in tanks stated at the lower of cost and net realisable value. Cost is determined by reference to the actual cost of production in the period.

Share-based payments

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the statement of comprehensive income with a corresponding credit to reserves. Where options over the parent Company's shares are granted to employees of subsidiaries of the parent, the charge is recognised in the statement of comprehensive income of the subsidiary. In the parent Company accounts there is an increase in the cost of the investment in the subsidiary receiving the benefit.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if the number of share options ultimately exercised is different to that initially estimated.

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Upon exercise of share options, the proceeds received, net of attributable transaction costs, are credited to share capital, and where appropriate share premium.

Critical accounting judgements and key sources of estimation uncertainty

Details of the Group's significant accounting judgements and critical accounting estimates are set out in these financial statements and include:

Critical accounting judgements

- Carrying value of intangible assets (Note 11) – carrying values are justified with reference to indicators of impairment as set out in IFRS 6. Based on judgements at 31 December 2025 there was £nil write off (2024: £4,968k write off).

In October 2025 the Group applied for an extension of the Phase 1 period of the FEL 4/19 licence which was due to expire on 31 January 2026. This extension was granted by Irish Government's Department of Climate, Energy and the Environment on 27 March 2026 and the Phase 1 period was extended for a further period until 31 January 2028. The judgement that the licence period would be extended was confirmed by the granting of this extension in 2026.

- Carrying value of investment in joint venture (Note 13a) – the investment in Antler Global Limited was assessed to establish whether the investment may be impaired with consideration of the principles in IAS28 and IAS36. In making this assessment management applies judgement to evaluate both external and internal sources of information, including the financial performance of the joint venture, market conditions, changes in the operating environment in which the joint venture operates and other relevant factors. Based on the current review, the directors have not identified any indicators of impairment in relation to this investment in the joint venture as at 31 December 2025.

Critical accounting estimates

- Carrying value of property, plant and equipment (Note 12) – carrying values are justified by reference to future estimates of cash flows, discounted at appropriate rates. The directors estimate variables like reserves volumes, future oil prices, future capital and operating expenditure and discount rates. The directors rely on third party formal reports, historical reservoir performance and internal modelling to establish the appropriate reserves volumes and production profiles to use in estimating future cash flows. Future costs are based on internal or joint venture budgets, and discount rates are estimated with reference to applicable external and internal data sources. The directors utilise management's view on external analyst datasets in relation to oil and gas price forecasts. At 31 December 2025 there was an impairment of £323k of producing assets, comprising mainly of capital expenditures on the Group's Crosby Warren and West Firsby assets (2024: £189k impairment).
- Deferred taxation (Note 19) – assumptions regarding the future profitability of the Group and whether the deferred tax assets will be recovered.
- Decommissioning provision (Note 20) – inflation and discount rate estimates (3% and 4.83% respectively) are used in calculating the provision, along with third party estimates of remediation costs.
- Share-based payments (Note 22) – measurement of the fair value of options granted uses valuation techniques where active market quotes are not available. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- Reserves and resources (Note 12) – reserves and resources are estimated based on management's view and third-party formal reports and these estimates directly impact the recoverability of asset carrying values that are reported in the financial statements.

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- Intra-group receivables and investments in subsidiaries (Note 13b and Note 23) - recoverability of these amounts depends on management's assumptions regarding the future performance of subsidiaries which is in turn dependent on the market conditions and performance of the Group.
- Valuation of revenue swap liability (Note 16) – forecast future oil prices and production profiles are used in calculating the fair value of the liability.

2 Operating segment analysis

In the opinion of the directors the Group has three reportable segments as reported to the chief executive officer, being the UK, Ireland and West Africa.

The reporting on these segments to management focuses on revenue, operating costs and capital expenditure. The impact of such criteria is discussed further in the Chairman's statement and strategic report of this annual report.

Income statement for the 17-month period ended 31 December 2025

	UK £000	Ireland £000	West Africa £000	Total £000
Revenue	3,908	-	-	3,908
<i>Cost of sales</i>	<i>(3,293)</i>	-	-	<i>(3,293)</i>
<i>Impairment of producing fields</i>	<i>(323)</i>	-	-	<i>(323)</i>
Cost of sales	<u>(3,616)</u>	-	-	<u>(3,616)</u>
Gross profit	292	-	-	292
Administrative expenses	(2,445)	(1)	-	(2,446)
Profit on disposal of license interest	170	-	-	170
Share of loss from joint venture	-	-	(16)	(16)
Finance income	3	6	-	9
Finance costs	(746)	-	-	(746)
Loss before tax	(2,726)	5	(16)	(2,737)
Taxation	-	-	-	-
Loss for the year	(2,726)	5	(16)	(2,737)

Segmental assets and liabilities as at 31 December 2025

	UK £000	Ireland £000	West Africa £'000	Total £000
Non-current assets	1,725	2,578	2,285	6,588
Current assets	955	2	-	957
Total assets	2,680	2,580	2,285	7,545
Non-current liabilities	(5,338)	-	-	(5,338)
Current liabilities	(1,084)	-	-	(1,084)
Total liabilities	(6,422)	-	-	(6,422)
Other segment items				
Capital expenditure – cash flow	837	112	287	1,236
Depreciation	854	-	-	854
Share-based payments	186	-	-	186

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Income statement for the year ended 31 July 2024

	UK £'000	Ireland £'000	West Africa £'000	Total £'000
Revenue	3,566	-	-	3,566
<i>Cost of sales</i>	<i>(3,117)</i>	-	-	<i>(3,117)</i>
<i>Impairment of producing fields</i>	<i>(189)</i>	-	-	<i>(189)</i>
Cost of sales	(3,306)	-	-	(3,306)
Gross profit	260	-	-	260
Exploration impairment	(4,968)	-	-	(4,968)
Administrative expenses	(1,855)	-	-	(1,855)
Share of loss from joint venture	-	-	(2)	(2)
Finance income	222	1	-	223
Finance costs	(439)	-	-	(439)
Loss before tax	(6,780)	1	(2)	(6,781)
Taxation	-	-	-	-
Loss for the year	(6,780)	1	(2)	(6,781)

Segmental assets and liabilities as at 31 July 2024

	UK £'000	Ireland £'000	West Africa £'000	Total £'000
Non-current assets	2,127	2,465	2,406	6,998
Current assets	2,781	-	-	2,781
Total assets	4,908	2,465	2,406	9,779
Non-current liabilities	(4,613)	-	-	(4,613)
Current liabilities	(1,081)	(19)	(287)	(1,387)
Total liabilities	(5,694)	(19)	(287)	(6,000)

Other segment items

Capital expenditure – cash flow	882	283	2,138	3,303
Depreciation	781	-	-	781
Share-based payments	98	-	-	98

100% of the total revenue (2024: 100%) relates to UK-based customers. Of this figure, one end customer (2024: one) commands more than 83% of the total (95%), including sales made through operators to the end customer. The end-customer is not a related party to the Group. UK revenue by site was as follows: West Firsby £346,000 (2024: £445,000); Crosby Warren £923,000 (2024: £264,000); Whisby £15,000 (2024: £202,000); and Wressle £2,412,000 (2024: £2,559,000). Recharges of costs to Antler Global Limited of £212,000 (2024: £96,000) is included within revenue and is not eliminated.

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3 Loss before taxation

Loss before taxation is stated after charging/ (crediting):

		17 months ending 31 December 2025 £000	Year ending 31 July 2024 £000
Depreciation and amortisation on property, plant & equipment	12	854	781
Staff costs including directors	5	2,249	1,468
Diesel		192	131
Business rates		60	41
Site safety and security		117	97
Exploration impairment	11	-	4,968
Impairment	12	323	189
Fees payable to the auditor for the audit		80	80
Operating leases – land and buildings		94	77
Foreign exchange loss / (gain)		42	(208)

4 Directors' emoluments

Directors' total emoluments for the Group and the Company are set out in the tables below for the current 17-month period and the comparative year.

17 months ending 31 December 2025	Salaries and fees	Performance bonus	BIK	Pensions	Share- based payments	Total 2025
	£000	£000	£000	£000	£000	£000
BJ O'Cathain (resigned 10 February 2025)	39	-	-	-	-	39
Bo Kroll (appointed 12 December 2024)	69	-	-	-	-	69
W Holland	302	271 ³	3	30	69	675
A Stuart (resigned 12 December 2024)	93	-	2	8	17	120
S Ashby-Rudd	64	-	-	-	-	64
E Rowley	57	-	-	-	-	57
	<u>624</u>	<u>271</u>	<u>5</u>	<u>38</u>	<u>86</u>	<u>1,024</u>

Included in W Holland's total emoluments are £100,000 in relation to a bonus for 2024 and £194,875 in relation to a bonus for 2025, which the Remuneration Committee agreed were justified as a result of the significant progress made on EG-08 and for achieving the various other goals set by the Board. Due to the extended accounting period two years' worth of bonus is included during the current reporting period. Of the 2024 bonus £23,582 was settled during 2025 by the issuance of EMI options and £26,418 was settled by issuance of shares in the Company in January 2026 pursuant to a shareholder resolution. The balance of the 2024 and 2025 bonus amounts was paid in cash during 2026.

The table below shows the Directors emoluments for the prior 12-month period. It should be noted that a direct comparison cannot be made to with the above table, which is for a 17-month period and included bonuses for 2024 and 2025.

³ Excludes £23,582 which is the Black Scholes valuation of EMI options issued to W Holland in 2025 in lieu of a cash bonus which is accounted for in accordance with the policy on share-based payments

Year ending 31 July 2024

	Salaries and fees	Performance bonus	BIK	Pensions	Share-based payments	Total 2024
	£000		£000	£000	£000	£000
BJ O’Cathain	48	-	-	-	-	48
SG Oddie (resigned 23 November 2023)	11	-	1	-	-	12
S Williams(resigned 23 November 2023)	11	-	-	-	-	11
W Holland	203	60	3	20	49	335
A Stuart	162	36	6	16	22	242
S Ashby-Rudd (appointed 20 December 2023)	27	-	-	-	-	27
E Rowley (appointed 8 April 2024)	13	-	-	-	-	13
	<u>475</u>	<u>96</u>	<u>10</u>	<u>36</u>	<u>71</u>	<u>688</u>

Pension charges represent premiums paid to money purchase pension plans during the year. Share-based payments charges represent the accounting charge in respect of share options. No share options were exercised during the period (2024: none).

5 Employee information

	17 months ended 31 December 2025 Number	Year ended 31 July 2024 Number
Average monthly number of employees including directors - Group		
Management and technical	7	8
Field exploration and production	4	4
	<u>11</u>	<u>12</u>
	17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
Staff costs - Group		
Wages and salaries (including directors’ emoluments)	1,767	1,155
Social security	197	136
Pensions	99	79
Share-based payments (note 22)	186	98
	<u>2,249</u>	<u>1,468</u>

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	17 months ended 31 December 2025 Number	Year ended 31 July 2024 Number
Average monthly number of employees including directors - Company		
Management and technical	7	8
	<u>7</u>	<u>8</u>

	17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
Staff costs - Company		
Wages and salaries (including directors' emoluments)	1,420	885
Social security	168	103
Pensions	79	63
Share-based payments	186	98
	<u>1,853</u>	<u>1,149</u>

6	Finance income	17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
	Bank interest received	5	15
	Foreign exchange gains	-	208
	Other finance income	4	-
		<u>9</u>	<u>223</u>

7	Finance expense	17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
	Unwinding of discount on decommissioning provision (note 20)	653	437
	Foreign exchange loss	42	-
	Fair value adjustment on revenue swap agreement (note 16)	49	-
	Other finance expense	2	2
		<u>746</u>	<u>439</u>

8	Taxation	17 months ended 31 December 2025	Year ended 31 July 2024

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	£000	£000
Movement in deferred tax asset (note 19)	515	(2,102)
Movement in deferred tax liability (note 19)	(515)	2,102
	<u>-</u>	<u>-</u>
Taxation expense	<u>-</u>	<u>-</u>

UK corporation tax is calculated at 40% (2024: 40%) of the estimated assessable profit for the year being the applicable rate for a ring-fence trade including the Supplementary Charge of 10%. From 24 May 2022 the Energy Profits Levy (“EPL”) applied to the Group, and it was levied at 25% of assessable EPL profits for the period from 26 May 2022 to 31 December 2022, and at 35% from 1 January 2023 onwards. The rate at which the EPL is levied increased from 35% to 38% and the investment allowance of 29% on general investment expenditure was abolished on 1 November 2024. The EPL is set to expire on 31 March 2030 at the latest. Due to existence of qualifying carried forward tax losses, the Group did not generate profits subject to the Energy Profits Levy, Corporation Tax or Supplementary Charge tax during the period.

	17 months ended 31 December 2025	Year ended 31 July 2024
	£000	£000
Loss before taxation	(2,737)	(6,781)
Tax reconciliation		
Loss multiplied by the standard rate of corporation tax in the UK including Supplementary Charge of 40% (2024: 40%)	(1,095)	(2,712)
Expenses not deductible for tax purposes	791	2,581
Deferred tax asset not recognised	45	113
Accelerated capital allowances	(57)	(169)
Taxed at a different rate	415	(121)
Losses carried forward	630	949
Previously unrecognised tax losses utilised	(729)	(641)
	<u>-</u>	<u>-</u>
Total taxation expense	<u>-</u>	<u>-</u>

9 Profit on disposal of license interest

	17 months ended 31 December 2025 £000 170	Year ended 31 July 2024 £000 -
Profit on disposal of the royalty interest	<u>170</u>	<u>-</u>

The royalty agreement (the “Agreement”) related to the Whisby-4 well, held with BritNRG, the operator and licence holder of the Whisby Field, was terminated in December 2024. In the period leading up to the termination of the Agreement it had not generated income for Europa, and further investment would have been required to potentially restore it to a revenue-generating position. Due to the technical risks involved, the Company determined that its capital was better directed toward other assets within its portfolio. The Agreement had already been fully written down in Europa’s accounts, with a carrying value of nil as at 31 July 2024 and at the date of termination. Following its termination, all associated liabilities have been written off by the parties, resulting in a net gain of £170,000 to the Group.

10 Earnings per share

Basic loss per share (‘LPS’) has been calculated on the loss after taxation divided by the weighted average number of shares in issue during the period. Diluted LPS uses an average number of shares adjusted to allow for the issue of shares on the assumed conversion of all in-the-money options.

As the Group made a loss from continuing operations in the year, any potentially dilutive instruments were considered to be anti-dilutive. Therefore, the diluted LPS is equal to the basic LPS for the year. As at 31 December 2025 there was Nil (2024: Nil) potentially dilutive instruments in issue related to “in the money” options.

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

	17 months ended 31 December 2025 £000 (2,737)	Year ended 31 July 2024 £000 (6,781)
Loss for the year attributable to the equity shareholders of the parent	<u>(2,737)</u>	<u>(6,781)</u>
Weighted average number of shares		
For the purposes of basic LPS	959,184,178	959,184,178
For the purpose of diluted LPS	959,184,178	959,184,178

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11 Intangible assets

Intangible assets – Group	2025	2024
	£000	£000
At 1 August	2,664	7,146
Additions	398	486
Exploration impairment	-	(4,968)
At 31 December	<u>3,062</u>	<u>2,664</u>

Intangible assets comprise the Group's pre-production expenditure on licence interests as follows:

	2025	2024
	£000	£000
Ireland FEL 4/19 (Inishkea)	2,545	2,444
UK PEDL182 (Broughton North)	40	35
UK PEDL343 (Cloughton)	477	185
Total	<u>3,062</u>	<u>2,664</u>

Exploration impairment	2025	2024
	£000	£000
Serenity	-	(4,871)
PEDL 181	-	(97)

12 Property, plant & equipment

Property, plant & equipment - Group

	Furniture & computers	Producing fields	Right of use assets	Total
	£000	£000	£000	£000
Cost				
At 31 July 2023	56	16,004	91	16,151
Additions	21	460	-	481
At 31 July 2024	<u>77</u>	<u>16,464</u>	<u>91</u>	<u>16,632</u>
Additions	6	545	-	551
Reassessment of decommissioning liability (note 20)	-	(61)	-	(61)
At 31 December 2025	<u>83</u>	<u>16,948</u>	<u>91</u>	<u>17,122</u>
Depreciation, depletion and impairment				
At 31 July 2023	28	13,636	70	13,734
Charge for year	20	753	8	781
Impairment in year	-	189	-	189
At 31 July 2024	<u>48</u>	<u>14,578</u>	<u>78</u>	<u>14,704</u>
Charge for year	28	817	9	854
Impairment in period	-	323	-	323
At 31 December 2025	<u>76</u>	<u>15,718</u>	<u>87</u>	<u>15,881</u>
Net book value				
At 31 July 2023	28	2,368	21	2,417
At 31 July 2024	<u>29</u>	<u>1,886</u>	<u>13</u>	<u>1,928</u>
At 31 December 2025	<u>7</u>	<u>1,230</u>	<u>4</u>	<u>1,241</u>

The producing fields referred to in the table above are the production assets of the Group, namely the oilfields at Wressle, Crosby Warren and West Firsby.

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The carrying value of each producing field was tested for impairment by comparing the carrying value with the value-in-use. The value-in-use was calculated using a discounted cash flow model with production decline rates based on engineering estimates and recent production experience. Brent crude price was based on the Quarter 4 ERCE Sproule forward curve, which assumes an average oil price per barrel in the table below. For years after 2035 a 2% inflation factor was applied.

Year	Price	Year	Price	Year	Price
2026	\$ 62	2030	\$ 75	2034	\$ 81
2027	\$ 67	2031	\$ 76	2035	\$ 83
2028	\$ 72	2032	\$ 78		
2029	\$ 73	2033	\$ 79		

The post-tax discount rate of 12.5% (pre-tax 20.83%) is high because of the applicable rates of tax in the UK. Cash flows were projected over the expected life of the fields which is expected to be longer than five years.

Based on the assumptions set out above, an impairment of £323k of producing assets, mainly relating to capital expenditures on the Group's Crosby Warren and West Firsby assets (2024: impairment of £189k). The recoverable amount was calculated at a discount rate of 12.5% (2024: 10%).

Sensitivity to key assumption changes

Variations to the key assumptions used in the value-in-use calculation, as outlined above, would cause impairment of the producing fields as follows:

	Impairment of producing fields £000
Production decline rate	
+10%	-
-10%	-
Brent crude price per barrel	
\$65 flat	-
\$55 flat	-
Pre-tax discount rate	
20%	-
25%	-

None of the variations result in an impairment individually.

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Property, plant & equipment - Company

	Furniture & computers £000	Right of use assets £000	Total £000
Cost			
At 31 July 2023	55	61	116
Additions	14	-	14
At 31 July 2024	<u>69</u>	<u>61</u>	<u>130</u>
Additions	6	-	6
At 31 December 2025	<u>75</u>	<u>61</u>	<u>136</u>
Depreciation			
At 31 July 2023	28	39	67
Charge for year	18	8	26
At 31 July 2024	<u>46</u>	<u>47</u>	<u>93</u>
Charge for year	25	9	34
At 31 December 2025	<u>71</u>	<u>56</u>	<u>127</u>
Net book value			
At 31 July 2023	<u>27</u>	<u>22</u>	<u>49</u>
At 31 July 2024	<u>23</u>	<u>14</u>	<u>37</u>
At 31 December 2025	<u>4</u>	<u>5</u>	<u>9</u>

13a) Investment in joint ventures

	Group		Company	
	31 December 2025	31 July 2024	31 December 2025	31 July 2024
	£000	£000	£000	£000
Investment in Antler Global Limited	2,285	2,406	2,425	2,425

On 20 December 2023, the Company completed the acquisition of an interest of 42.9% in Antler Global Limited (“Antler”) for a total cash consideration of US\$3,000,000 (£2,353,000). The consideration was payable to Antler in instalments, and the final instalment of £287,000 was paid in October 2024.

The investment was initially recognised at the value of the purchase price and direct incremental transaction costs of £72,000 for a total investment value of £2,425,000. Subsequent to the Company’s investment, Antler has been engaged in exploration activities, the costs of which have been capitalised as intangible assets resulting in an immaterial charge to its statement of comprehensive income. Summarised financial information for Antler at 31 December 2025 is included below:

	31 December 2025	31 July 2024
Summarised balance sheet	£000	£000
Current assets	60	981
Non-current assets	5,816	4,623
Current liabilities	(712)	(158)
Net assets	5,164	5,446
Company % interest in Antler	42.857%	42.857%
Company share of net assets	2,213	2,334
Capitalised transaction costs	72	72
Investment in Antler Global Limited	2,285	2,406
	<u>2,285</u>	<u>2,406</u>
	<u>2,285</u>	<u>2,406</u>
	17 months to 31 December 2025	12 months to 31 July 2024
Summarised statement of comprehensive income	£000	£000
Revenue	-	-
Loss from continuing operations	(16)	(2)
Total comprehensive loss	(16)	(2)
	<u>(16)</u>	<u>(2)</u>
	<u>(16)</u>	<u>(2)</u>

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13b) Investments in subsidiaries - Company

	31 December 2025 £000	31 July 2024 £000
At 1 August	2,343	2,343
Provision for impairment	(1,989)	-
At 31 December	<u>354</u>	<u>2,343</u>

The Company's investments at the reporting date include 100% of the share capital in the following unlisted companies:

- Europa Oil & Gas Limited, which undertakes oil and gas exploration, development and production in the UK.
- Europa Oil & Gas (West Firsby) Limited, which is non-trading.
- Europa Oil & Gas (Ireland West) Limited, which previously held the interest in the FEL 2/13 licence.
- Europa Oil & Gas (Ireland East) Limited, which previously held the interest in the FEL 3/13 and FEL 1/17 licences.
- Europa Oil & Gas (Inishkea) Limited, which holds the interest in the FEL 4/19 and previously held the interest in FEL 3/19 licences.
- Europa Oil & Gas (New Ventures) Limited, which previously held the interest in the Moroccan licence.

All six companies are registered in England and Wales, all having their registered office at 54 Charlotte Street, London W1T 2NS.

The results of the six companies have been included in the consolidated accounts.

Europa Oil & Gas Limited owns 100% of the ordinary share capital of Europa Oil & Gas (UK) Limited (registered in England and Wales with registered office at 54 Charlotte Street, London W1T 2NS and is non-trading).

During the current period the Company made a provision for impairment against the carrying value of its investments in subsidiaries to reflect the current assessment of the fair value of these investments, driven predominantly by low forecast oil price as at the reporting date.

14 Inventories - Group

	31 December 2025 £000	31 July 2024 £000
Oil in tanks	<u>13</u>	<u>9</u>

15 Trade and other receivables

	Group		Company	
	31 December 2025 £000	31 July 2024 £000	31 December 2025 £000	31 July 2024 £000
Current trade and other receivables				
Trade receivables	473	1,002	210	133
Other receivables	31	33	19	12
Corporation tax receivable	-	50	-	-
Prepayments	146	224	60	91
	<u>650</u>	<u>1,309</u>	<u>289</u>	<u>236</u>
Non-current other receivables				
Owed by Group undertakings (note 23)	-	-	557	5,502
	<u>-</u>	<u>-</u>	<u>557</u>	<u>5,502</u>

16 Financial liabilities designated at fair value through profit and loss

	2025 £000	2024 £000
Current Financial liabilities designated at fair value through profit and loss		
Revenue swap liability payable in less than 1 year	155	-
	<u> </u>	<u> </u>
Non-current Financial liabilities designated at fair value through profit and loss		
Revenue swap liability payable in 1 to 2 years	139	-
	<u> </u>	<u> </u>

During the period the Group entered into an arrangement under which it received £370,000 (\$500,000) on completion in exchange for granting the counterparty the right to receive a monthly payment equivalent to a percentage of 4.5% of the gross revenues of the Wressle 1 well for a specified period. The obligation requires the Group to make variable cash payments based on actual oil production levels and prevailing oil prices and is recognised in accordance with the accounting policy for financial liabilities designated at FVTPL. Payments to the counterparty commenced in August 2025 and the Group made repayments of £102,000 during the period. The Group remeasured the liability at the reporting date of 31 December 2025 with reference to estimated future production and oil prices which resulted in a fair value loss of £49,000, inclusive of the effects of changes in exchange rates, which is included in finance expense.

17 Trade and other payables

	Group		Company	
	31 December 2025 £000	31 July 2024 £000	31 December 2025 £000	31 July 2024 £000
Current trade and other payables				
Trade payables	108	140	85	61
Lease liabilities	4	6	4	6
Other payables	817	1,241	608	369
	<u>929</u>	<u>1,387</u>	<u>697</u>	<u>436</u>
Non-current trade and other payables				
Lease liabilities	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>

18 Leases

	Group		Company	
	31 December 2025 £000	31 July 2024 £000	31 December 2025 £000	31 July 2024 £000
Amounts recognised in the statement of comprehensive income:				
Interest on right of use liabilities	-	(1)	-	(1)
Amounts recognised in the statement of cash flows:				
Repayment of lease liabilities – principal	(8)	(7)	(8)	(7)
Repayment of lease liabilities – interest	-	(1)	-	(1)
Maturity analysis (undiscounted):				
Amounts due within 1 year	(4)	(6)	(4)	(6)
Amounts due after more than 1 year & less than 5 years	-	(6)	-	(6)
Amounts due after more than 5 years	-	-	-	-

The Group's right of use asset comprises the lease of one vehicle (Note 12). The corresponding lease liability for the right to use leased asset is included within trade and other payables in the statement of financial position (Note 17).

19 Deferred tax – Group

	31 December	31 July
	2025	2024
	£000	£000
Recognised deferred tax asset:		
As at 1 August	-	-
Charged to statement of comprehensive income	-	-
At 31 December	<u>-</u>	<u>-</u>

The Group has a deferred tax liability of £1,348,000 (2024: £833,000) arising from accelerated capital allowances and a deferred tax asset of £1,348,000 (2024: £833,000) arising from trading losses which will be utilised against future taxable profits. These were offset against each other resulting in a £nil net asset/liability (2024: £nil net asset/liability). This offsetting was required because the Group settles current tax assets and liabilities on a net basis.

Non-recognised long-term deferred tax asset

The Group has a non-recognised deferred tax asset of £12.1 million (2024: £11.8 million), which arises in relation to ring-fenced UK trading losses of £15.9 million (2024: £14.4 million), STC losses (including investment allowances) of £14.7 million (2024: £14.3 million), non-ring-fenced UK trading losses of £11.7 million (2024: £11.7 million), EPL losses of £5.9 million (2024: £5.8 million) and subsidiary losses and carried forward capital expenditure of £8.0 million (2024: £7.9 million) that have not been recognised in the accounts as the timing of the utilisation of the losses is considered uncertain.

No deferred tax assets or liabilities are recognised in the Company.

20 Provisions – Group

Decommissioning provisions are based on third party estimates of work which will be required and the judgement of directors. By their nature, timing and the detailed scope of work required are uncertain.

	31 December	31 July
	2025	2024
	£000	£000
Long-term provisions		
As at 1 August	4,607	4,368
Charged to statement of comprehensive income (note 7)	653	437
Change in estimated phasing of cash flows	(61)	(198)
At 31 December / 31 July	<u>5,199</u>	<u>4,607</u>

The change in the estimated decommissioning provision resulted mainly from a reassessment of the estimated timings of when such decommissioning activities are undertaken at the end of their economic lives as well as a reassessment of the applicable discount rate used. The timing of decommissioning activities is estimated with reference to the estimated timing of cessation of production, considering updated assessments of timing of further development works and licence expiry dates.

Sensitivity to key assumption changes

Variations to the key assumptions used in the decommissioning provision estimates would cause increases / (reductions) to the provision as follows:

	Further decommissioning provision £000
Inflation rate (current assumption 3%)	
2%	(449)
5%	1,036
Discount rate (current assumption 4.83%)	
5%	(62)
15%	(2,418)

No provisions have been recognised in the Company.

21 Called up share capital

	2025	2024
	£000	£000
Allotted, called up and fully paid ordinary shares of 1p		
At 1 August 2024: 959,184,193 shares (1 August 2023: 959,184,193)	9,592	9,592
Issued in the period: nil shares (2024: nil shares)	-	-
At 31 December 2025: 959,184,178 shares (31 July 2024: 959,184,178)	<u>9,592</u>	<u>9,592</u>

The following describes the purpose of each reserve within owners' equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value
Merger reserve	Reserve created on issue of shares on acquisition of subsidiaries in prior years
Retained deficit	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income
Foreign currency translation reserve ('FCTR')	Component of equity that arises from the translation of foreign operations' financial statements into the reporting currency of the parent entity

22 Share-based payments

The Group operates an approved Enterprise Management Incentive ('EMI') share option scheme for employees and an unapproved scheme for grants in excess of EMI limits and for non-employees. Both schemes are equity-settled share-based payments as defined in IFRS 2 Share-based payments. A recognised valuation methodology is employed to determine the fair value of options granted as set out in the standard. The charge incurred relating to these options is recognised within operating costs.

Combined information for the two schemes operated by the Group is set out below.

There are 56,739,840 ordinary 1p share options/warrants outstanding (31 July 2024: 60,265,474).

These are held as follows:

Holder	31 December 2025	31 July 2024
W Holland	25,599,840	20,000,000
A Stuart	-	15,000,000
Employees of the Group	15,840,000	15,840,000
Consultants and advisers	15,000,000	9,425,474
Total	<u>56,439,840</u>	<u>60,265,474</u>

A Stuart resigned as a director and employee of the Group in December 2024 and resultantly options held by him has been recategorised as held by consultants and advisers.

The fair values of options were determined using a Black Scholes Merton model or, in the case of those issued to advisers as part of the share issue, the fair value was deemed to be the share issue price. Volatility is based on the Company's share price volatility since flotation.

During the year 9,425,474 fully vested warrants held by consultants and advisers to the company expired (2024: 14,114,154 options expired, 17,171,000 options cancelled).

	2025	2025	2024	2024
	Number of options	Average exercise price	Number of options	Average exercise price
Outstanding at the start of the year	60,265,474	1.21p	41,550,628	2.04p
Granted - employees/directors	5,599,840	1.00p	50,000,000	1.08p
Expired	(9,425,474)	1.80p	(14,114,154)	1.35p
Cancelled	-	-	(17,171,000)	2.70p
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the year	56,439,840	1.10p	60,265,474	1.21p
Exercisable at the end of the year	720,000	2.11p	10,145,474	1.82p

The 5,599,840 new EMI options granted in 9 April 2025 vest in three years, and are exercisable conditional upon the Europa Oil & Gas (Holdings) PLC volume weighted average share price over the last 20 trading days prior to the Vesting Date to be greater than or equal to 1.25 times the volume weighted average share price over the last 20 trading days prior to the Grant Date, and expire on the tenth anniversary of the grant date. The inputs used to determine their values are detailed in the table:

Grant date	9 April 2025
Number of options	5,599,840
Share price at grant	0.6p
Exercise price	1.0p
Volatility	66.56%
Dividend yield	Nil
Risk free investment rate	4.8%
Option life in years	10
Fair value per option	0.421p

Based on the fair values at initial recognition, the charge arising from employee share options was £186,000 (2024: £98,000). The charge relating to non-employee share options was £37,000 (2024: £nil). The charge allocated directly to equity, relating to the issue of options on the issue of share capital, was £nil (2024: £nil).

Share options/warrants outstanding at the end of the period have exercise prices ranging from 1p to 8p and the weighted average remaining contractual life at the end of the period was 8 years (2024: 8 years).

23 Financial instruments

The Group's and Company's financial instruments comprise cash and cash equivalents, bank borrowings, loans, and items such as trade and other receivables and trade and other payables which arise directly from its operations. Europa's activities are subject to a range of financial risks, the main ones being credit; liquidity; interest rates; commodity prices; foreign exchange; and capital. These risks are managed through ongoing review considering the operational, business and economic circumstances at that time.

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Financial assets – Group

	Amortised cost	Amortised cost	Fair value through other comprehensive income	Fair value through other comprehensive income
	31 December	31 July	31 December	31 July
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade and other receivables	504	1,085	-	-
Cash and cash equivalents	294	1,463	-	-
Total financial assets	<u>798</u>	<u>2,548</u>	<u>-</u>	<u>-</u>

Financial assets – Company

	Amortised cost	Amortised cost	Fair value through other comprehensive income	Fair value through other comprehensive income
	31 December	31 July	31 December	31 July
	2025	2024	2025	2024
	£000	£000	£000	£000
Investments	354	2,343	-	-
Amounts due from Group companies	557	5,502	-	-
Trade and other receivables	229	145	-	-
Cash and cash equivalents	98	164	-	-
Total financial assets	<u>1,238</u>	<u>8,154</u>	<u>-</u>	<u>-</u>

Europa Oil & Gas (Holdings) PLC

Financial liabilities - Group

	Amortised cost	Amortised cost	Fair value through profit and loss	Fair value through profit and loss
	31 December	31 July	31 December	31 July
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade and other payables	(925)	(1,381)	-	-
Lease liabilities	(4)	(12)	-	-
Financial liabilities designated at fair value	-	-	(294)	-
	-----	-----	-----	-----
Total financial liabilities	(929)	(1,393)	(294)	-
	=====	=====	=====	=====

Europa Oil & Gas (Holdings) PLC

Financial liabilities - Company

	Amortised cost	Amortised cost	Fair value through other comprehensive income	Fair value through other comprehensive income
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade and other payables	(693)	(430)	-	-
Lease liabilities	(4)	(12)	-	-
Total financial liabilities	(697)	(442)	-	-

The carrying value of trade and other receivables, and trade and other payables approximate their fair values due to the short-term nature and expected maturity of these instruments.

Credit risk

The Group is exposed to credit risk as all crude oil production is effectively sold to one multinational oil company. The customer is invoiced monthly for the oil delivered to the refinery in the previous month and invoices are generally settled in full within the same month that invoices are issued. At 31 December 2025 trade receivables were £470,000 (2024: £1,002,000). The fair value of trade receivables and payables approximates to their carrying value because of their short maturity. Any surplus cash is held on short-term deposit with Royal Bank of Scotland. The maximum credit exposure in the year was £1,221,000 comprising oil sales and recharges to joint ventures (2024 maximum exposure: £1,002,000). The reduction in the amount of trade receivables is mainly due to the derecognition of receivables from BritNRG pursuant to the termination of the Whisby-4 royalty agreement (note 9) and lower oil production and sales volumes. The Company exposure to third party credit risk is negligible. The intercompany balances with its subsidiaries have been appropriately provided for to account for potential impairments.

Liquidity risk

The Company currently has no overdraft or overdraft facility with its bankers.

The Group and Company monitor their levels of working capital to ensure they can meet liabilities as they fall due. The following table shows the contractual maturities (representing the undiscounted cash flows) of the Group's and Company's financial liabilities.

	Group		Company	
	Trade and other payables 31 December	31 July	Trade and other payables 31 December	31 July
	2025	2024	2025	2024
	£000	£000	£000	£000
6 months or less	929	1,387	697	436
Total	929	1,387	697	436

Cash and cash equivalents in both Group and Company are all available at short notice.

Trade and other payables do not normally incur interest charges. There is no difference between the fair value of the trade and other payables and their carrying amounts.

Interest rate risk

The Group has no interest-bearing liabilities and immaterial leases (Note 18). All leases are at fixed rates of interest and the Group and Company are not exposed to changes in interest rates.

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Commodity price risk

The selling price of the Group's production of crude oil is set at a small discount to Brent prices. The table below shows the range of prices achieved in the year and the sensitivity of the Group's loss before taxation ('LBT') or profit before tax ('PBT') to such movements in oil price. There would be a corresponding increase or decrease to net assets.

Oil price	Month	2025	2025	2024	2024
		Price	PBT/(LBT)	Price	PBT
		US\$/bbl	£000	US\$/bbl	£000
Highest	August 2024	79.6	405	\$88.90	250
Average		70.0	(11)	\$82.40	(9)
Lowest	May 2025	61.4	(378)	\$76.60	(239)

The Revenue Swap Liability (Note 16) is restated at fair value at each reporting date with reference to estimated future production and oil prices. The table below shows the sensitivity of the Group's loss before taxation ('LBT') or profit before tax ('PBT') to such movements in oil price.

There is no commodity price risk in the Company.

Oil price	2025	2025	2024	2024
	Price	LBT	Price	LBT
	US\$/bbl	£000	US\$/bbl	£000
As used in fair value measurement (average)	62	-	-	-
At flat price	90	(90)	-	-

Foreign exchange risk

The Group's production of crude oil is invoiced in US\$. Revenue is translated into Sterling using a monthly exchange rate set by reference to the market rate. The table below shows the range of average monthly US\$ exchange rates used in the year and the sensitivity of the Group's PBT / LBT to similar movements in US\$ exchange. There would be a corresponding increase or decrease in net assets.

US Dollar	Month	2025	2025	2024	2024
		Rate	LBT	Rate	LBT
		US\$/£	£000	US\$/£	£000
Highest	June 2025	1.370	(123)	1.284	(187)
Average		1.313	4	1.260	(127)
Lowest	January 2025	1.243	175	1.218	(17)

The table below shows the Group's currency exposures. Exposures comprise the net financial assets and liabilities of the Group that are not denominated in the functional currency.

Currency	Item	Group		Company	
		2025	2024	2025	2024
		£000	£000	£000	£000
Euro	Cash and cash equivalents	-	2	-	2
	Trade and other payables	(6)	(5)	(6)	(5)
US Dollar	Cash and cash equivalents	228	1,219	65	68
	Trade and other receivables	547	869	124	133
	Trade and other payables	-	-	-	-
Total		<u>769</u>	<u>2,085</u>	<u>183</u>	<u>198</u>

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital. The Group defines capital as being the consolidated shareholder equity and third-party borrowings (£nil at 31 December 2025). The Board monitors the level of capital as compared to the Group's long-term debt commitments and adjusts the ratio of debt to capital as is determined to be necessary, by issuing new shares, reducing or increasing debt, paying dividends and returning capital to shareholders.

Intercompany loans

The loans to the subsidiaries are not classified as repayable on demand. IFRS 9 requires consideration of the expected credit risk associated with the loan. As the subsidiary company does not have any liquid assets to sell to repay the loan, should it be recalled, the conclusion reached was that the loan should be categorised as stage 3.

As part of the assessment of expected credit losses of the intercompany loan receivable, the directors have considered the published chance of success for Inishkea, and applying the 33% general wildcat exploration success rate, the loans to Europa Oil & Gas Inishkea have thus been deemed 67% provided.

The loans to Europa Oil & Gas New Ventures, Europa Oil & Gas (Ireland West) and Europa Oil & Gas (Ireland East) have been provided in full due to the relinquishment of the licences held by the subsidiaries.

During the 17-month period to 31 December 2025 there has been a decrease in the expected recoverable value of the Group's Wressle producing field which was adversely impacted by the reduction in forecast UK oil and gas prices during the period and reassessments of project timing and profiles for natural gas production. These factors led to an increase in the provisions for impairment that had been made in relation to loans to Europa Oil & Gas Ltd.

The movement in the provision was as follows:

	Europa Oil & Gas Limited	Europa Oil & Gas (Ireland West) Limited	Europa Oil & Gas (Ireland East) Limited	Europa Oil & Gas (Inishkea) Limited	Europa Oil & Gas (New Ventures) Limited	Total
	£000	£000	£000	£000	£000	£000
Gross loan balances						
Loan balance at 31 July 2023	27,562	705	1,342	1,391	1,045	32,045
Movement in loan	(1,255)	-	-	181	-	(1,074)
Loan balance at 31 July 2024	26,307	705	1,342	1,572	1,045	30,971
Movement in loan	1,640	-	-	116	-	1,756
Loan balance at 31 December 25	27,947	705	1,342	1,688	1,045	32,727
Provisions						
Provision at 31 July 2023	(5,878)	(705)	(1,342)	(932)	(1,045)	(9,902)
Movement in provision	(15,446)	-	-	(121)	-	(15,567)
Provision at 31 July 2024	(21,324)	(705)	(1,342)	(1,053)	(1,045)	(25,469)
Movement in provision	(6,623)	-	-	(78)	-	(6,701)
Provision at 31 December 2025	(27,947)	(705)	(1,342)	(1,131)	(1,045)	(32,170)
Net loan balance at 31 July 2023	21,684	-	-	459	-	22,143
Net loan balance at 31 July 2024	4,983	-	-	519	-	5,502
Net loan balance at 31 December 2025	-	-	-	557	-	557

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24 Capital commitments and guarantees

For PEDL181 the partners have agreed to drill two development wells and to construct a gas export line. These activities remain contingent upon planning permission being granted, the budget being approved by the JV partnership and the availability of a suitable rig. The total net cost to Europa for the work programme is estimated to be £0.9 million in 2026 and £1.2 million in 2027.

25 Site rental commitments

Europa Oil & Gas Limited pays annual site rentals for the land upon which the West Firsby and Crosby Warren oil field facilities are located.

Future contractual payments are as follows:

	2025 £000	2024 £000
Less than 1 year	65	63
2-5 years	193	90
More than 5 years	105	-
Total	363	153

26 Related party transactions

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Group. In the opinion of the Board, the Group's and the Company's key management are the directors of Europa Oil & Gas (Holdings) PLC. Information regarding their compensation is given in note 4.

The Company provided services to subsidiary companies as follows:

	17 months ended 31 December 2025 £000	Year ended 31 July 2024 £000
Europa Oil & Gas Limited	521	319
Europa Oil & Gas (Inishkea) Limited	49	64
Total	570	383

At the end of the period, after provisions, the Company was owed the following amounts by subsidiaries:

	31 December 2025 £000	31 July 2024 £000
Europa Oil & Gas Limited	-	4,983
Europa Oil & Gas (Inishkea) Limited	557	518
Total	557	5,501

27 Post reporting date events

Following the passing of Resolutions 9 and 10 at the Company's Annual General Meeting held on 30 December 2025, the Company issued 7,803,546 ordinary shares of £0.01 each in the Company ("Ordinary Shares") to Bo Krøll, Non-Executive Chairman, and 4,053,083 Ordinary Shares to William Holland, Chief Executive Officer. Shares were allotted on 6 January 2026.

The Company announced on 16 January 2026 that the North Sea Transition Authority has granted a 2-year extension to the first phase of the PEDL343 licence which holds the Company's 137bcf Cloughton discovery. As a result of

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the extension the first phase of the licence will now expire on 21 March 2028 and the second phase will expire on 21 July 2030.

On 5 March Europa the Company raised a total of £4.1 million by way of an issuance of new Ordinary Shares, of which £3.5 million was through the placing of new Ordinary Shares to institutional investors. The Company also raised further aggregate gross proceeds of approximately £640,000 following an oversubscribed WRAP retail offer, (the “Placing”). The proceeds of the Placing will go towards financing the drilling of the Barracuda prospect and to provide general working capital to support working commitments on other licence interests. The Placing has further strengthened the Company’s balance sheet and demonstrates the ongoing shareholder support for the business.

On 27 March 2026 the Company received notification from the Irish Government’s Department of Climate, Energy and the Environment that the Minister has given his consent to extend the Phase 1 of FEL 4/19 to 31 January 2028. The Company intends to use the extension to carry out further technical studies and allow more time to secure a partner to advance development of the licence.

On 27 April the North Yorkshire Council (“NYC”) planning committee notified the Company of the decision at its meeting on 24th April that it is minded not to approve the Company’s plan for a well in Burniston on its Cloughton prospect, despite the positive recommendation from the Council’s planning department that the operation should proceed. On 18 May the Local Planning Authority (“LPA”) issued its decision to refuse planning permission for the Cloughton gas appraisal well. This refusal is despite the recommendation made by the NYC’s own planning officers who, after rigorously analysing the planning application and the 13 independent experts whose separate reports all supported the application, advised the LPA to approve the application. The Company is disappointed with the LPA’s decision and strongly disagrees with the basis of the refusal. Europa is now assessing its options with a view to appealing the decision and is confident that on appeal the planning permission will be approved.