



**SUNDA  
ENERGY**

**Sunda Energy Plc**

**Annual Report and Financial Statements  
for the year ended 31 December 2025**

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# Corporate Information

## Advisers & General Information

|                                           |                                                                                                                                                                                                          |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>                          | Gerry Aherne, Non-executive Chairman<br>Andrew Butler, Chief Executive Officer<br>Keith Bush, Non-executive Director<br>John Chessher, Non-executive Director<br>Robert Collins, Chief Financial Officer |
| <b>Registered Office</b>                  | 201 Temple Chambers<br>3-7 Temple Avenue<br>London<br>EC4Y 0DT                                                                                                                                           |
| <b>Company Secretary</b>                  | Geoffrey Barnes                                                                                                                                                                                          |
| <b>Auditor</b>                            | Gravita Audit II Limited<br>Aldgate Tower<br>2 Leman Street<br>London<br>E1 8FA                                                                                                                          |
| <b>Solicitors</b>                         | Fieldfisher LLP<br>Riverbank House<br>2 Swan Lane<br>London<br>EC4R 3TT                                                                                                                                  |
| <b>Nominated Adviser and Joint Broker</b> | Allenby Capital Limited<br>5 St Helen's Place<br>London<br>EC3A 6AB                                                                                                                                      |
| <b>Joint Broker</b>                       | H&P Advisory Limited<br>7-10 Chandos Street<br>London<br>W1G 9DQ                                                                                                                                         |
| <b>Registrars</b>                         | Share Registrars Limited<br>3 The Millennium Centre<br>Crosby Way<br>Farnham<br>Surrey<br>GU9 7XX                                                                                                        |
| <b>Communications</b>                     | Celicourt Communications Limited<br>Chancery House,<br>53-64 Chancery Lane,<br>London<br>WC2A 1QS                                                                                                        |
| <b>Website</b>                            | <a href="http://www.sundaenergy.com">www.sundaenergy.com</a>                                                                                                                                             |
| <b>Company number</b>                     | 05098776 (England and Wales)                                                                                                                                                                             |

# Corporate Statement

Sunda Energy Plc (“the Company”) is an independent energy operating company based in the UK with a portfolio of exploration, appraisal and early development gas assets in Southeast Asia. It currently operates through its local subsidiary a Production Sharing Contract (“PSC”) in Timor-Leste that contains a gas field called Chuditch, and also has a 37.5% working interest in two licence blocks in the south-west part of the Sulu Sea, offshore Philippines. Additionally, the Company is planning to complete the acquisition of Matahio Energy NZ Limited (“Matahio NZ”) in 2026, which will transform the company into a production company with development and exploration upside opportunities. Ordinary shares in the Company are listed in the UK on the AIM market of the London Stock Exchange – (SNDA.L).

The Company’s objective is to deliver significant shareholder returns through the acquisition and maturation of gas-prone assets, close to energy markets and in jurisdictions where robust demand and/or energy security drivers ensure positive alignment with government. We aim to achieve this by deploying Sunda Energy’s expertise in the Asia-Pacific region, where it focusses its efforts and where the Company’s management and technical team has a strong track record of success. Historically, the Company (operating under previous names Gold Oil and Baron Oil) focused on Latin America and the United Kingdom. However, with the progress made in the Timor-Leste asset and recognition of the favourable business environment and the Company’s competitive advantages in Asia-Pacific,

Sunda decided during 2024 to focus its efforts exclusively on this region, including the change to the current company name.

Sunda is committed to safeguarding the environment and minimising risk to its employees, contractors and the communities in which it works. Through developing sustainable long-term relationships with its partners and the community, Sunda aims to conduct business and enhance value in a responsible manner.

The board of directors (the “Board”) is aware of its responsibilities for environmental reporting and to following industry international best practice in carrying out its activities. The Company currently does not produce hydrocarbons; however, the Company is preparing for the acquisition of Matahio NZ which will transform the business into a production company as well as planning for drilling of the Chuditch-2 appraisal well in Timor-Leste. In light of these activities, the Company’s HSE team are actively reviewing and upgrading its safety and environmental policies and procedures.

Reporting of Fugitive Methane Emissions, Scope 1 and 2 emissions per barrel of oil equivalent production and Carbon Intensity Statements are not relevant to the Company with its current portfolio of assets. The Company intends to adopt best practice carbon intensity reporting at the relevant time and comply with regulatory requirements and standards.



# Chairman's Statement & Operations Report

## Financial Review

The net result for the year was a loss both before and after taxation of £2.84 million (2024: loss of £2.05 million), which is wholly attributable to Sunda Energy shareholders, representing a loss of 0.01p per share (2024: loss of 0.008p per share).

The Group generated no revenue during the period but focused on exploring and developing assets that the Board believes will generate revenue for the Group in the future.

Administration expenses for the year were £1.93 million (2024: £2.22 million), an overall decrease of £0.29 million on the preceding year. Administration costs arising in SundaGas (Timor-Leste Sahul) Pte. Ltd. ("TLS") and its Timor-Leste subsidiary, SundaGas Banda Unipessoal, Lda. ("SundaGas"), decreased from £0.74 million previously to £0.44 million this year. Sunda Energy Plc directors and staff salaries and related costs increased by £0.38 million to £1.15 million in the year, including £0.32 million in non-cash share-based payments. Details of directors' salaries are contained in the Report of the Directors in the Annual Report on page 19. Professional adviser fees increased from £0.45 million previously to £0.53 million, mainly due to higher legal, consultancy and professional adviser costs, associated with the capital raisings in May and October 2025.

Non-capitalised exploration and evaluation expenditure incurred included in the Consolidated Income Statement amounted to £0.33 million (2024: £0.17 million), largely arising from the annual surface rental costs on the Chuditch field and new venture costs. The Directors judged that no exploration assets required impairment.

In May 2025 the Company conditionally secured access to US\$9.0 million gross by way of the issue of unsecured convertible loan notes ("Loan Notes" or "CLNs") to three institutional investors to finance the Company's shares of costs with the planned Chuditch-2 well in Timor-Leste. US\$1.5 million of the Loan Notes were drawn before the planned drilling was postponed. No further amounts were drawn under the CLNs.

In October 2025, the Company raised £0.71 million gross through a subscription by Directors and Senior Management and a WRAP Retail Offer for general working capital purposes, including ongoing preparations to drill in Timor-Leste, initial technical

evaluation work on the two new Service Contracts awarded in the Philippines and new business activities, subsequently announced as the proposed acquisition of Matahio NZ.

At the end of the financial year, cash reserves of the Group had decreased to £0.33 million from £3.17 million at the preceding year end. The Group's investment in exploration and evaluation assets in Timor-Leste amounted to £2.34 million in the period (2024: £1.78 million). There was a cash outflow from operating activities of £2.26 million (2024: outflow of £1.68 million) and a cash outflow after investing and financing activities of £2.84 million (2024: outflow of £0.59 million).

The Group continues to take a conservative view of its asset impairment policy. The Board will continue to take a prudent approach in entering into new capital expenditures beyond those expected to be committed to existing ventures.

## Report on Operations

### Timor-Leste TL-SO-19-16 PSC ("Chuditch PSC" or "PSC") (Sunda 60% interest)

#### Background

The Chuditch PSC is located approximately 185 kilometres south of Timor-Leste, 100 kilometres east of the producing Bayu-Undan field, 50 kilometres south of the potential Greater Sunrise development and covers approximately 3,571 km<sup>2</sup> in water depths of 40-120 metres. The Chuditch-1 discovery well, drilled by Shell in 1998 in 64 metres water depth, encountered a 30-metre gross gas column in Jurassic Plover Formation sandstone reservoirs, at a depth of 2,910 metres, on the flank of a large, faulted structure. The discovery and neighbouring prospects are largely covered by a 3D seismic survey acquired in 2012 and subsequently reprocessed by Sunda.

Sunda operates the PSC through its wholly owned subsidiary SundaGas, based out of its offices in Dili, Timor-Leste. Until February 2024, the Company held a 75% working interest in partnership with TIMOR GAP Chuditch Unipessoal Lda, a subsidiary of the state-owned national oil company, who held the remaining 25% and which share of PSC expenditure is carried until first production.

On 7 February 2024, the Company completed a transaction whereby TIMOR GAP increased its participation in the PSC from 25% to 40%.

# Chairman's Statement & Operations Report

## (continued)

Accordingly, the SundaGas 60% share became responsible for 80% of the costs of the Chuditch project and TIMOR GAP for 20%. TIMOR GAP paid approximately US\$1 million to cover its share of prior costs from the effective date of the PSC until the completion of this transfer.

Previously, the Company had carried out a technical work programme that included the reprocessing of legacy seismic data, aimed at addressing reservoir imaging issues caused by sea-bed topography and shallow geological features as well as various geological and engineering studies. These activities fulfilled the PSC obligations for Contract Years 1 and 2 of the PSC and enabled Sunda to assess fully the Chuditch field and its gas resources.

Consultancy group ERC Equipoise Ltd ("ERCE") was then engaged to prepare a Competent Person's Report ("CPR") to provide an independent assessment of the Chuditch resource to a SPE PRMS compliant standard. The CPR was released on 28 February 2023. For the Chuditch-1 discovery, ERCE assessed gross Pmean Contingent Resources of 1.16 Tcf of gas. In addition, aggregated gross Pmean Prospective Resources attributable to the licence according to the CPR amounted to 1,562 Bcf gas across three prospects, Chuditch SW, Chuditch NE and Quokka. Geological Chances of Success ("GCOS") for these prospects range from 52% to 26%, providing substantial follow on, low risk exploration potential to any Chuditch development. It is notable that Sunda's in-house probabilistic estimates of aggregated gross Prospective Resources for these prospects, at 2,128 Bcf of gas, are higher than ERCE's estimates. This arises mainly through the Company's preferred use of the latest reprocessed seismic data velocity model to define the extent of the prospects.

Based on Sunda's technical studies, a well location has been selected for the Chuditch-2 appraisal well that is 5.1km from the original Chuditch-1 discovery well in a water depth of approximately 68m. The predicted vertical column height of gas in the Jurassic reservoirs at this location is 149m, as compared with the 30m gross gas column encountered in the discovery well. The Company has been working towards the drilling of Chuditch-2, including a production flow test, as a critical milestone on the pathway to developing the Chuditch gas resources.

### 2025 and subsequent activities

The first half of 2025 was dominated by operational and funding preparations for the drilling of Chuditch-2, which had been expected to commence during Q2 2025 but was ultimately postponed (as outlined below). Drilling was intended to take place using a jack-up rig that was operating in nearby Australian waters, drilling four successive wells for three different E&P companies.

In January 2025, the Company completed an Environmental Baseline Survey ("EBS") in the area of the planned well. The purpose of the EBS was to gather information on the seabed sediments and fauna as well as collect seawater samples. The results were integrated into the Environmental Impact Statement ("EIS") and the Environmental Management Plan ("EMP") for submission to regulator Autoridade Nacional do Petróleo ("ANP") as part of the process for securing an Environmental Licence for drilling activities.

On 24 April 2025, the Company announced that it had entered into a binding Farm-In agreement with TIMOR GAP (the "Farm-In Agreement"), whereby SundaGas would assign a 30% interest to TIMOR GAP in addition to the 40% interest already held by TIMOR GAP. This assignment would have resulted in SundaGas retaining a 30% working interest in the Chuditch PSC, with TIMOR GAP holding a 70% interest. From the effective date of 1 April 2025 until the end of Contract Year 3 of the PSC, TIMOR GAP would have been responsible for paying 72% of all PSC costs, including its share of the drilling of the planned Chuditch-2 appraisal well.

At the same time, the Company announced that it had conditionally raised up to US\$9.0 million through the issue of unsecured convertible loan notes (the "CLNs") to three institutional investors. Together with the TIMOR GAP farm-in, these funding arrangements provided the Company with the capital required to drill Chuditch-2, commencing with the execution of a contract for the use of the jack-up rig operating in nearby Australian waters. Following a general meeting of the Company on 10 May 2025, the first tranche of US\$1.5 million (£1.135 million) of CLNs was issued on 13 May 2025.

# Chairman's Statement & Operations Report

## (continued)

However, on 16 June 2025, the Company announced an involuntary postponement of the drilling of Chuditch-2. The delay was caused by the absence at the required time of helicopter services in Timor-Leste that met the necessary operational objectives and safety standards, and the non-approval of alternative international helicopter service providers. This issue meant that the Company was unable to proceed with the execution of a definitive contract for a drilling rig, and hence the Farm-In Agreement also terminated. Termination of the Farm-In Agreement meant the working interests on the PSC remain unchanged, with SundaGas holding a 60% working interest and operatorship and TIMOR GAP having a 40% interest. SundaGas and TIMOR GAP remain responsible for paying 80% and 20% of all project costs respectively. In August 2025, the target drilling rig completed its operations in Australia and left the Timor Sea region.

On 17 June 2025, ANP granted a 12-month extension to the current phase (Contract Year 3) of the PSC, which now expires on 18 June 2026.

During the first half of 2025, an engineering feasibility study was commissioned to study the future development of Chuditch, following signature of a Memorandum of Understanding ("MOU") on 12 December 2024 by SundaGas, the Ministry of Petroleum and Mineral Resources and TIMOR GAP. The MOU set out the framework for joint evaluation of a development concept for gas resources on the Chuditch PSC, including pipeline export to the Bayu Undan field and on to planned LNG facilities on the south coast of Timor-Leste. This work is intended as a springboard for the Chuditch joint venture to move forward quickly with development plans following the completion of the Chuditch-2 appraisal well.

In Q3 2025, SundaGas commenced the search for a replacement rig for a rescheduled drilling campaign. A Request for Information ("RFI") was issued to drilling contractors and submissions were received in September 2025.

Based on the results of the RFI evaluation, a new target rig was identified which could be available from Q2 2026 onwards, albeit with mobilisation from a location a considerable distance across SE Asia from the Timor Sea. Extensive discussions followed, covering contracting, technical specifications and regulatory matters, as SundaGas pursued a target to secure the rig by year-end 2025. Unfortunately, at a late stage, the rig owner decided not to proceed as the project did not pass its commercial risk thresholds. Other

rigs that had been pursued in parallel also became unavailable, having been contracted by larger E&P operating companies for multi-well campaigns elsewhere in the Asia-Pacific region.

In summary, SundaGas encountered significant difficulties during H2 2025 in securing a replacement rig to come to the Timor Sea to drill a single well. Rig operators have been disinclined to commit to a short duration drilling campaign in a perceived remote location when they have more attractive, longer-term contract options available.

Subsequent to the reporting period, SundaGas continued to pursue available rigs for a rescheduled drilling campaign for Chuditch-2. Early in 2026, the Company entered into discussions with Finder TIMOR-LESTE B.V. ("Finder") regarding possible rig-sharing arrangements. Finder is a wholly owned subsidiary of Finder Energy Holdings Limited (ASX:FDR) and operator of the Kuda Tasi and Jahal ("KTJ") fields, offshore Timor-Leste. Finder is preparing to drill at least three wells as part of its development of the KTJ fields, on which it is planning to take a Final Investment Decision by mid-2026. On 8 April 2026, the Company announced the signature of a Letter of Intent with Finder to work together to secure a drilling rig for the two companies' drilling campaigns. The opportunity to share a rig with Finder means a combined duration of operations of almost 200 days, making it a far more attractive proposition for contractors. For both Sunda and Finder, this collaboration is expected to provide the opportunity for significant operational synergies and savings.

Noting that KTJ wells are expected to be drilled in 2027, and given time required to prepare for the amended campaign, SundaGas submitted a request on 9 March 2025 on behalf of the Chuditch joint venture to ANP to extend the current contract period of the PSC (which expires on 18 June 2026) by 12 months and ANP is currently considering that request.

In parallel to the pursuit of a new drilling rig, SundaGas continued to work towards securing the necessary environmental permits for Chuditch-2. In March 2026, the Company was able to announce the endorsement of the EIS and EMP by ANP's Evaluation Committee and approval by His Excellency the Minister of Petroleum and Mineral Resources of the required Environmental Licence. This licence is valid until 9 March 2028 and includes certain conditions, principally around submission of a waste management plan to ANP prior to operations and for a post-drilling environmental survey.

# Chairman's Statement & Operations Report

## (continued)

### Philippines Service Contracts SC 80 and SC 81 (both Sunda 37.5% interest)

In October 2025, Sunda was awarded non-operated interests in two Petroleum Service Contracts, namely SC 80 and SC 81 (together the "Service Contracts"), covering offshore licence areas in the 1st Conventional Energy Bid Round of the Bangsamoro Autonomous Region of Muslim Mindanao in the Philippines. The successful licence awards resulted from joint applications submitted by the bid group composed of Triangle Energy (Global) Limited (ASX: TEG), Sunda Energy, PXP Energy Corporation (PSE: PXP) and Philodrill Corporation (PSE.OV) in August 2024 (note Triangle Energy subsequently transferred its interests into a new company, Tetragon Energy Limited). The fiscal terms in the Philippines are highly attractive for upstream investment, especially for gas in areas such as the Sulu Sea where the Service Contracts are located.

The two Service Contract blocks lie in the south-west part of the Sulu Sea, within the Sandakan Basin, in water depths of <100m to >3000m, in an area where key members of the Sunda team have considerable prior technical knowledge. The area lies adjacent to the Malaysian province of Sabah, part of the large island of Borneo shared between Malaysia, Indonesia and Brunei. The main geological play in the Service Contracts is Upper Miocene turbidite sands trapped in toe-thrust anticline structures and basin floor stratigraphic traps in the deep-water areas (>800m), whilst secondary prospectivity exists in Middle to Upper Miocene shallow water sandstones in the western shallow water areas and in deeper Miocene carbonate reef features.

SC 80 contains two significant gas finds: Dabakan-1 (75m net pay) and Palendag-1 wells (47m net pay), plus a minor gas discovery at Babendil-1 (39m net pay). The two fields have estimated combined 2C Contingent Gas Resources of 574 Bcf, based on a Competent Person's Report ("CPR") produced by Mitra Energy Inc. in 2015 (the "Mitra Energy CPR"). SC 80 has significant exploration prospectivity, with a variety of play types identified, the most significant being in deepwater sandstone reservoir complexes similar to those where major discoveries are being made elsewhere around other parts of the island of Borneo, such as the giant Gegila discovery announced in April 2026 by Eni (BIT:ENI). A key target is the Halcon prospect, a low relief, anticlinal structure interpreted to be a basin floor turbidite fan sandstone complex trapped against the frontal thrust of the fold-belt,

with estimated Pmean Prospective Gas Resources of 6.7 Tcf. Overall Prospective Resources in SC 80 from the Mitra Energy CPR for five key prospects amount to 10.1 Tcf of gas and 247 MMbbls of associated liquids.

SC 81 lies adjacent and to the south of SC-80 and encompasses both a slope clastic play and a shallow water shelf play. On the slope trend in SC-81, two wells have demonstrated the presence of hydrocarbons, but Sunda and its joint venture partners consider these were poorly located on vintage seismic data, missing key target areas where seismic amplitude anomalies are likely to be indicative of hydrocarbons. Five discovered fields in the neighbouring Malaysian waters adjacent to SC 81 illustrate the gas potential of the block.

The geological environment of the two new Service Contracts, the presence of extensive 3D seismic data, and good calibration from a number of wells, make this area ideal for the deployment of modern seismic imaging technologies. The significant earlier investments made by prior operators in these data create a great opportunity for Sunda and its joint venture partners to deploy special processing techniques to properly delineate the gas discoveries and further de-risk the material exploration prospectivity. If successful, this low-cost approach should reveal high impact appraisal and exploration targets for farmout and future drilling.

The commitment work programmes in the early stages of the 7-year exploration term consist principally of seismic reprocessing and desktop studies, with two optional wells in each Service Contract in the final 3 years. Commitments in the first two-year sub-phase of the PSC for the two blocks consist of 3D and some 2D seismic reprocessing and associated geological studies. Operator Tetragon has commenced these Phase One activities in close collaboration with Sunda and the other joint venture partners.

### Peru

In April 2022, the Company requested the relinquishment of Licence Block XXI in Peru, a legacy asset dating from an earlier, Latin-America focused strategy. Licence Block XXI had been largely under Force Majeure for a variety of reasons since 2017. Sunda continues to own a Peruvian subsidiary, Gold Oil Peru S.A.C., and is working with local legal counsel regarding steps to complete its exit from Peru.



# Chairman's Statement & Operations Report

## (continued)

### New Business

Following its pivot to Southeast Asia in 2024, Sunda adopted a New Venture strategy focused on the region. The Company continues to seek opportunities to strengthen and diversify its upstream portfolio, with the goal of transforming the Company into a robust regional operator with assets and growth options that have the potential to create material shareholder value.

The Company has a focused approach to new business, shepherding limited resources in capital and personnel, whilst leveraging its competitive advantages in the Asia-Pacific region. These include an experienced team that has extensive regional knowledge and is reputed for its high technical and operating standards, and strong relationships with governments and industry peers. Sunda sees quality opportunities of scale across the region and is focused on target asset types that can be categorised as follows:

- large, low-risk "Chuditch-type" gas exploration and appraisal assets, which have been significantly de-risked by earlier industry activities;
- Infrastructure or market-led opportunities, typically onshore or in shallow waters, where resources sizes may be smaller, but with material value and shorter timelines to monetization;
- Production assets that are identified as accessible and value-additive.

It is in the context of these themes that the Philippines' Service Contracts were secured and, subsequent to the reporting period, the announcement on 8 April 2026 of the material conditional acquisition of a portfolio of production assets with upside in New Zealand.

### New Zealand

The announcement of the conditional acquisition of Matahio NZ is a transformational milestone for Sunda, taking the company on a pathway to becoming a significant production company with cashflow generation at a time of heightened commodity prices and energy security concerns.

The acquisition brings to Sunda 100% of five production and exploration permits located onshore in the Taranaki Basin on the west coast of New Zealand's North Island. These comprise three petroleum mining permits (PMPs) known as Cheal

(PMP 38156), Cheal East (PMP 60291) and Sidewinder (PMP 53803), plus one petroleum exploration permit (PEP), known as Puka (PEP 51153). A fifth property (Supplejack, PMP 60454) is currently undergoing decommissioning ahead of formal relinquishment. Cheal has been in production since 1995, with Sidewinder coming online in 2011. The combined average production from these assets in 2025 was 1,028 boepd. Oil is sold at a price that is referenced to Brent and other regional markers, with liftings every 2-3 months.

In summary, following the successful completion of the acquisition (expected during Q3 2026), Sunda will acquire:

- approximately 1,000 boepd production (c. 80% oil and 20% gas);
- material cashflow generation anticipated from existing production and growth plans;
- 2P Reserves of 2.6 MMboe and 2C Contingent Resources of 0.5 MMboe;
- 2U Prospective Resources of 5.8 MMboe, including near-term, low-risk drilling of the Oru exploration prospect;
- a highly capable, experienced operating team;
- multiple infield development and field re-start opportunities;
- a successful pilot gas storage project and additional revenues from third-party gas processing.

Commercial terms for the acquisition of Matahio NZ were negotiated in Q4 2025 and early Q1 2026, before the significant increases in oil prices experienced in early 2026 as a result of events in the Middle East. The effective date of the transaction was agreed to be as 1 January 2026 thus ensuring that the Group will benefit from these higher oil prices. Through this acquisition, the Company is securing a portfolio of New Zealand production, development and exploration assets that are complementary to our existing interests in Timor-Leste and the Philippines.

Consideration for the acquisition of Matahio NZ consists of a firm component, expected to be between US\$8.0 million and US\$14.0 million, and a contingent element expected to be between US\$1.0 million and US\$13.0 million, mostly related to a successful outcome of planned exploration drilling at Oru. The payment structure is phased, with the final payment date estimated to fall in Q3 2027.

# Chairman's Statement & Operations Report

## (continued)

The Acquisition is conditional, *inter alia*, on New Zealand government approval for the change of control which is expected to be granted around September 2026.

### Corporate and Social Responsibility ("CSR")

Sunda is committed to being a good corporate citizen everywhere that it operates and considers it important for our host countries, and for our business, to contribute to the development of skills in those countries, through an impactful CSR programme. As such, our focus is on initiatives that bring improvements to education and the sharing of knowledge and experience.

The Company's efforts as a corporate citizen are most developed within Timor-Leste, where the Company has been operating for the longest period. The Company's office is staffed solely by Timorese nationals. Personnel are provided with training, on-the-job mentoring and broad opportunities to gain real experience in an active operating company. The Company is also embedded within the business landscape of Timor-Leste and, where practical, prioritises local service providers.

The Company also actively undertakes various initiatives to develop the capabilities of the Timorese geological community, through continuing relationships with local universities and professional organisations. During 2025, we continued to sponsor the activities of the Timor-Leste Student Chapter of the Society of Petroleum Engineers ("SPE"), including sponsoring a student on a developmental trip to Perth, Australia. SundaGas also was a key founding sponsor of, and Company personnel actively participate in, the new full Timor-Leste SPE Chapter.

During the first half of 2025, in liaison with the Ministry of Education, the Company rebuilt a pre-school for the community in Manleuana on the south side of Dili, the capital of Timor-Leste. Facilities at this pre-school were in poor condition and so SundaGas, in collaboration with NGO 'Educating the Future', engaged a local contractor to demolish the old buildings and construct a new school. A contract was awarded in January 2025, and the new pre-school buildings were officially opened in June 2025.

The Company will outline its corporate citizenship efforts in the Philippines and New Zealand in due course as its presence in these areas matures. The Company notes that in New Zealand, Matahio NZ runs an effective programme of community support and engagement, and Sunda looks forward to continuing this approach.

### Conclusions

2025 was a year of challenge for Sunda, but also a year in which the Company embarked on a broadening and rebalancing of its portfolio to ensure a more robust platform for growth. Between the high impact exploration opportunities captured in the Philippines, the material gas resources to appraise and develop at Chuditch in Timor-Leste and, in 2026, the ongoing acquisition of an established production business with significant upside in New Zealand, the Company is building a platform that has considerable potential for sustained growth and value creation.

### Note of Appreciation

I extend my thanks to all who have contributed to the progress Sunda is making corporately and in the development of its portfolio of assets. These stakeholders include my fellow directors, shareholders, advisors and our hard-working and dedicated teams. I also thank our various joint venture partners and host governments for their strong collaborative approach to developing assets in each of our operating countries. My fellow directors and the Company's executive leadership are firmly committed to honouring the trust placed in us by striving for operational excellence and relentlessly pursuing long-term success to the benefit of all Sunda's stakeholders.

**Gerry Aherne**  
Non-executive Chair

29 May 2026

# Strategic Report

The Directors present their strategic report with the financial statements of Sunda Energy Plc (“the Company”) and its subsidiaries (collectively “the Group”) for the year ended 31 December 2025.

## Principal activities

In the year ended 31 December 2025, the principal activity of the Group was the exploration for, and appraisal of, oil and gas.

## Business review

A review of the Group’s business during the financial period and its likely development is given in the Chairman’s Statement & Operations Report.

## Key Performance Indicators (KPIs) 2025

The KPIs for 2025 were as follows.

- Secure necessary funding to drill the Chuditch-2 appraisal well.
- Successful completion of the Chuditch-2 appraisal well by the end of Q3.
- Secure new venture licences in the SE Asia region.
- Ensure that the Company remains sufficiently funded for current operations.
- Ensure all workplace and operational activities are conducted without harm to staff, contractors or third parties, built around a clear set of HSE policies and procedures.

The Company believes that the majority of the KPIs were achieved during the year in review including the securing of funding and the securing of new venture licenses, specifically in the Philippines. The KPIs related to operations at the Chuditch well were not achieved due to factors outside of the Company’s control and as set out in the Company’s Regulatory News Service Announcements.

## Key Performance Indicators (KPIs) 2026

The Board has agreed the following KPIs for 2026 which are intended to be measurable and achievable and develop the Company’s portfolio of assets.

- Successfully secure at least one additional asset with material discovered resource and/or production.
- Work to fulfil outstanding obligations for Timor-Leste PSC including securing drilling rig for Chuditch appraisal well.
- Ensure that the Company remains sufficiently funded for current operations.
- Ensure all workplace and operational activities are conducted without harm to staff, contractors or third parties, built around a clear set of HSE policies and procedures.

## Key risks and uncertainties

Exploration for hydrocarbons is highly speculative and involves significant degrees of risk. The Board constantly monitors the operational and financial aspects of the Company’s activities and is responsible for the ongoing review of business risks and implementation of appropriate internal controls. While risks cannot be eliminated entirely, internal controls are implemented to reasonably minimise losses.

# Strategic Report

## (continued)

At present, the Company considers its principal risks to be the following:

| Risk Category | Risk                                    | Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Existing Control Measures                                                                                                                                                                                                                                            |
|---------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial     | Exchange rate fluctuations              | <p>The risk of financial loss on exchange rates, as the Company has significant US Dollar requirements.</p> <p>In 2025, around 85% of Sunda's expenditure was transacted in US Dollars. In the financial year there was a loss on holdings of US Dollar balances of £39,000 compared to a gain of £15,000 in 2024.</p>                                                                                                                                                                                                                                                                                    | In order to mitigate currency risk exposure, the Group has secured financing from investors and partners in US Dollars. The Group does not intend to enter into hedging arrangements or structured products.                                                         |
| Financial     | Oil and gas prices and market sentiment | <p>Risk associated with international oil and gas prices and market sentiment.</p> <p>Oil and gas price volatility can have upside and downside impact. Price increases can significantly affect the availability and cost of specialist staff, technical services and equipment. In the event of downward price pressure and negative macro sentiment, finance for the oil and gas sector can be more difficult to secure. However, the associated costs of operations should reduce.</p> <p>Recent events in the Middle East have also demonstrated the potential volatility of oil and gas prices.</p> | The Group constantly reviews oil and gas prices and their potential impact on our ability to access specialist staff, services and equipment. In addition, the Group maintains contact with numerous providers of capital globally and differing sources of finance. |
| Operational   | Performance guarantee                   | <p>The Group has provided a US\$2m cash-backed performance guarantee and a non cash-backed Parent Company Guarantee for US\$3.2m in respect of its licence in Timor-Leste. In the event that work commitments under the Chuditch PSC are not met, then these guarantees could be called in. This would lead to a permanent reduction in asset value.</p>                                                                                                                                                                                                                                                  | The Company maintains close dialogue with the Timor-Leste regulatory authorities with respect to its commitments under the Chuditch PSC.                                                                                                                             |
| Financial     | Liquidity                               | <p>The Group is exposed to liquidity risk, including that assets cannot readily be converted to cash without the loss of value.</p> <p>Failure to manage financing risks could have a material impact on the Group's cash flows, earnings and financial position as well as reducing the funds available to the Group for working capital, capital expenditure, acquisitions, dividends and other general corporate purposes.</p>                                                                                                                                                                         | The Group manages liquidity risk by maintaining adequate levels of cash balances. As at the end of 2025, the Group's cash reserves of £0.3 million were primarily spread amongst three large international banks in the UK and Singapore.                            |



# Strategic Report

(continued)

| Risk Category | Risk     | Risk and Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Existing Control Measures                                                                                                                                                                                                                                                                                               |
|---------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial     | Taxation | <p>Tax law is evolving and is subject to different and changing interpretations, as well as inconsistent enforcement. Tax regulation and compliance is subject to review and investigation by the authorities who may impose severe fines, penalties and interest charges.</p> <p>The uncertainty of interpretation and application, and the evolution, of tax laws in the territories in which the Group operates creates a risk of additional and substantial payments of tax or other unintended consequences by the Group, which could have a material adverse effect on the Group's cash flows, earnings and financial position.</p> | The Group makes every effort to comply with tax legislation, takes appropriate professional tax advice and works closely with tax authorities to ensure compliance and active management of its fiscal positions. The Group has engaged a specialist tax advisor to provide guidance on its tax affairs in Timor-Leste. |

## Directors' duties – S172 Companies Act 2006 Directors' duties to promote the long-term success of the Company

This section serves as the Company's s172 Statement and should be read in conjunction with the Strategic Report and the Company's Corporate Governance Statement contained within this Annual Report.

The Board of Directors confirms that during the year under review, it has acted to promote the long-term success of the Group for the benefit of shareholders, whilst having due regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006, being:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of employees;
- (c) the need to foster the business relationships with suppliers, customers and others;
- (d) the impact of the Group's operations on the community and the environment;
- (e) the desirability of maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between all shareholders.

The Directors are reminded of their duty under s172(1) at the start of each meeting and considerations under s172 form an integral part of Board discussion. Stakeholder considerations are brought to the Board's attention through reports and presentations given during Board meetings. These considerations are referenced in meeting papers as relevant, and discussions recorded in the meeting minutes.

The Board recognises the importance of its key stakeholder groups, including shareholders, and engagement with them. The Board makes a conscious effort to understand the principal issues that matter to each stakeholder group and any conflicting interests. The Directors' understanding of stakeholders is factored into boardroom discussions, regarding the potential long-term impacts of strategic decisions on each group, and how to best address their needs and concerns.

The Board recognises the transitional nature of the Company and is active in its preparations to complete the acquisition of Matahio Energy NZ Limited. Throughout this transaction, the Board has had regard to the interest of all stakeholders and sought to act in the best interest of both the Company and its key stakeholders.

# Strategic Report

## (continued)

The below table sets out the key stakeholders identified by the Board, their importance to the Group and how the Board engages with them.

| Stakeholder                             | Why is this stakeholder group important for the Company's long term success and what are their interests?                                                                                                                                                                                                                                                                                                                                                                            | How we engage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investors</b>                        | <p>Our shareholders expect us to maximise long-term value creation and the Company operates for the long-term benefit of its shareholders.</p> <p>Their Interests:</p> <ul style="list-style-type: none"> <li>• Sustainability</li> <li>• ESG performance</li> <li>• Ethical behaviour</li> <li>• Company reputation</li> <li>• Comprehensive review of financial performance of the business over the long-term</li> <li>• Awareness of long-term strategy and direction</li> </ul> | <ul style="list-style-type: none"> <li>• Transparency in all communications including regular updates from executive and non-executive directors.</li> <li>• Opportunities for direct shareholder engagement with the Board, including investor presentations and Q&amp;As at General Meetings.</li> <li>• Keeping shareholders up to date with the Company's activities through our Annual Report, the Company's website, stock exchange announcements, press releases and regular reports and analyses for investors and shareholders</li> </ul>                                                |
| <b>Employees and contractors</b>        | <p>Our employees play a central role in delivering the Group's long-term strategy.</p> <ul style="list-style-type: none"> <li>• Their Interests:</li> <li>• Terms and conditions of contract</li> <li>• Health and safety</li> <li>• Human rights and modern slavery</li> </ul>                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>• The Board constantly seek opportunities to engage with the workforce. Given the size of the Company's workforce, the Board and Directors regularly engage with employees through the normal course of business.</li> <li>• The Company has in place an HSE Committee that is responsible for the review and management of the Company's HSES framework and oversight of management in this regard.</li> <li>• In preparation for its transition to an operating oil and gas company, the Company has engaged with local staff in New Zealand.</li> </ul> |
| <b>Government and regulatory bodies</b> | <p>Governments and regulators seek compliance with all applicable legal and regulatory obligations is key to our long-term success</p> <p>Their Interests:</p> <ul style="list-style-type: none"> <li>• Compliance with regulations</li> <li>• Employee pay, conditions and welfare</li> <li>• Health and Safety</li> <li>• Company reputation</li> <li>• Environmental impact</li> <li>• Insurance</li> </ul>                                                                       | <ul style="list-style-type: none"> <li>• We ensure our compliance with national and international environmental social governance and ethical standards.</li> <li>• The Company maintains good relations with responsible authorities and always seek dialogue with them to fulfil our obligations.</li> <li>• Ongoing communication and engagement with both government and regulators in Timor-Leste and the Philippines, as well as fostering strong relationships within New Zealand in preparation for operating in that jurisdiction.</li> </ul>                                            |

# Strategic Report

(continued)

| Stakeholder                                       | Why is this stakeholder group important for the Company's long term success and what are their interests?                                                                                                                                       | How we engage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Environmental agencies and interest groups</b> | <p>The Company is committed to safeguarding the environment and complying with all relevant environmental regulations.</p> <p>Their Interests:</p> <ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Climate change</li> </ul> | <ul style="list-style-type: none"> <li>• The Board takes its ESG responsibilities seriously as set out in the review of operations on page 9 of this report.</li> <li>• The Company prioritises best practice environmental work in all jurisdictions in which it operates, as evidenced by the award of the Chuditch-2 environmental licence in early 2026.</li> <li>• The Company has put in place the HSE Committee that has responsibility for oversight of the Company's environmental impact.</li> </ul> |
| <b>Community</b>                                  | <p>We have an important role to play in supporting the communities in which we operate.</p> <ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Community engagement</li> <li>• Human Rights</li> </ul>                          | <ul style="list-style-type: none"> <li>• The Company is committed to being a good corporate citizen, as set out in the corporate social responsibility section of this report, above.</li> </ul>                                                                                                                                                                                                                                                                                                               |

By order of the Board

**Gerry Aherne**  
Non-executive Chair

29 May 2026

# Report of the Directors

The Directors submit their report together with the audited financial statements of Sunda Energy Plc (“the Company”) and its subsidiaries (collectively “the Group”), for the year ended 31 December 2025.

## Directors

The following are biographical details of the Directors of Sunda Energy Plc.

### Gerry Aherne, Non-executive Chairman

Gerry Aherne has a wealth of career experience in the insurance and financial markets, having been a founding director of PRI Group plc, a directors’ and officers’ liability insurer, and having held non-executive directorships with Henderson Group plc, Mecom Group plc, Omnis Investments Ltd, and Iveagh Ltd. He was Investment Director at Schroder Investment Management for 16 years, managing pension funds and unit trusts, Chairman of Electric & General Investment Trust plc, and Chairman of Cenkos Securities plc from 2012 to 2018. He is currently Managing Partner of Javelin Capital Partners LLP. He was appointed as Non-executive Chairman in 2024.

### Dr Andrew Butler, Chief Executive Officer

Andy Butler has over 30 years of experience in the oil and gas sector and brings relevant expertise to the Company’s Board. Andy has had involvement with the Company since 2016, when it entered into a joint venture agreement with SundaGas Pte Ltd, a company he founded and which ultimately led to the signing in 2019 of the Timor-Leste TL-SO-19-16 Production Sharing Contract. He has been a person discharging managerial responsibilities (“PDMR”) of the Company since 2021 and was appointed Chief Executive Officer on 15 March 2024 and continues to manage the Company’s Timor-Leste project. He is a director of the Company’s three subsidiaries in Asia. Andy is also an Independent Non-executive Director of RH Petrogas Ltd, a company listed on the Singapore stock exchange.

Andy has previously worked for Hess Corporation, BG Group and Mitra Energy Ltd (subsequently renamed Jadestone Energy Plc). Andy is a Fellow of the Geological Society of London and an active member of the South East Asia Petroleum Exploration Society (SEAPEX), the Geoscience Energy Society of Great Britain, the Society of Petroleum Engineers, the Association of International Energy Negotiators and

the Singapore Institute of Directors. He has a Ph.D. in Geology from the University of Cambridge and a B.A. in Geology from the University of Oxford.

### Rob Collins, Chief Financial Officer

Rob Collins has over 25 years’ experience in natural resources corporate finance, advising on a broad range of corporate transactions spanning various commodity groups and transactions primarily at Evolution Securities, Canaccord Genuity Europe and GMP Securities Europe. He has successfully advised on numerous IPOs, public and private equity raises and M&A transactions for many UK, Canadian and Australian listed companies as well as acting as CFO for Victoria Oil & Gas Plc. Rob commenced his career at Coopers and Lybrand and is a qualified Chartered Accountant. Rob has been working with the Company, initially as a consultant, since December 2023. He is also a director of the Company’s three subsidiaries in Asia.

### Keith Bush, Non-executive Director

Keith Bush is an experienced quoted company director, having worked for over 30 years in the energy industry. He has a petroleum engineering background, with significant experience in the oil and gas sector. Previously he has worked for Amerada Hess, Burlington Resources and E.ON Ruhrgas, before joining AIM listed Northern Petroleum plc, initially as COO and later as CEO. Keith is currently COO of Hartshead Resources a company listed on the ASX. He holds a B.Sc. in Physics from the University of Manchester. He was appointed as a Non-executive Director of the Company in 2022.

### Dr John Chessher, Non-executive Director

John Chessher is a highly experienced investment industry professional who has held CEO and director-level positions at leading asset management and investment banking firms. John has extensive knowledge and experience of corporate research and capital raising, including as CEO of Cenkos Securities Asia and Head of Asia Pacific Research at Schroder Investment Management. He holds an MA in Engineering Science from the University of Oxford and DBA, MSc and MBA qualifications from Henley Business School. He is a CFA charter-holder and currently combines non-executive and advisory roles with his position as a lecturer at Henley Business School. He was appointed as a Non-executive Director of the Company in 2024.



# Report of the Directors

## (continued)

### Board Composition and Time Commitment

The Directors are satisfied that the Board has a suitable balance between independence on the one hand and knowledge of the Company and industry on the other to enable it to discharge its duties and responsibilities effectively. Together, the Board combines a broad range of business, commercial and other relevant experience. Owing to the size and transitional nature of the Company, the Board is not planning to review its make-up in the near term.

The Directors are not obliged to commit the whole of their time to the Company's business and are entitled to hold other directorships as well as being able to enter consultancy arrangements. They are, however, required to devote such proportion of their time, attention and abilities during normal business hours as may be reasonable and necessary for the proper performance of their duties as Directors and to ensure that they continue to discharge such duties in a timely manner. They are required to inform the Company of any proposed arrangements for work outside the Company prior to taking such positions.

### Proposed dividend

The Directors do not recommend the payment of a dividend in respect of the financial year ended 31 December 2025 (2024: nil).

### Policy and practice on payment of creditors

The Group and Company policy, in relation to all of its suppliers, is to settle the terms of payment when agreeing the terms of the transactions and to abide by those terms. The Group and the Company do not follow any code or statement on payment policy. The creditor days as at 31 December 2025 were 14 days (2024: 35 days).

### Activities and results

A loss of £2.84 million (2024: £2.05 million), of which £2.84 million (2024: £2.05 million) was attributable to equity shareholders, was recorded for the year. Net assets of the Group as at 31 December 2025 amounted to £8.64 million (2024: £9.32 million), of which £8.64 million (2024: £9.32 million) was attributable to equity shareholders.

Details of the Group's affairs and the development of its various activities during the period, important events since the period end, and details of the Company's plans for the next year are given in the Chairman's Statement & Operations Report.

### Issue of shares

#### Pre Consolidation

On 16 May 2025, 3,125,594,493 new Ordinary Shares 0.025p each were issued at a price of 0.03995p per share as a result of the conversion of US\$1.5 million of the 2025 Convertible Loan Notes and accompanying 1,803,227,592 warrants were granted at a subscription price of 0.051935p.

The Company issued 1,880,000,000 new ordinary shares of 0.025p each at 0.025p per share on 16 October 2025 with accompanying 1-for-2 warrants of 940,000,000 at a subscription price of 0.0375 under a Retail Offer, and on 12 November 2025 issued a further 960,000,000 new ordinary shares of 0.025p each at 0.025p each with accompanying 1-for-2 warrants of 480,000 at a subscription price of 0.0375p as part of a subscription by Directors and Senior Management, in total raising £710,000 gross.

On 8 April 2026, the Company issued 3,025,210,084 new ordinary shares of 0.025p each at 0.02975p under a Firm Subscription with Alumni Capital raising £900,000 gross.

#### Post Consolidation

As a result of all the resolutions being passed at the Company's General Meeting on 29 April 2026, every 100 Existing Ordinary Shares was consolidated into one Consolidated Share. Before any further issue of shares, the post consolidated issued share capital was 345,018,634 ordinary shares of 0.1p each. Following the General Meeting, the Company issued 26,890,755 Conditional Subscription Shares and 13,606,029 Retail Offer Shares at 2.975p per ordinary share of 0.1p each resulting in the issued share capital being 385,515,418 ordinary shares of 0.1p each. In addition, 35,374,403 warrants were granted with respect to the Firm Subscription, Conditional Subscription Shares and Retail Offer Shares at a subscription price 4.4625p.

# Report of the Directors

## (continued)

On 15 May 2026, Alumni Capital gave notice to convert £250,000 of the outstanding balance of its Convertible Loan Notes plus a £25,000 finance charge into new ordinary shares of 0.1p each. As a result, the Company issued 15,426,039 new ordinary shares to Alumni Capital, in addition to which, 8,899,676 warrants were granted at a subscription price of 2.3175p.

### The Environment

The Group is firmly committed to protecting the environment wherever it does business and will do its utmost to minimise the impact of our activities on the environment. Both the Group and its employees aim to be recognised by regulatory agencies, environmental groups and governments where we do business for our efforts to safeguard the environment. The Group has established a Health, Safety and Environmental Committee which has responsibility for oversight of both key Health, Safety, Environmental and Security events that occur within the business and management's responses to such events. The Committee reports to the Board

as required. For further information on the HSE Committee, please see the Corporate Governance report on page 23.

### Community

The Directors believe it is the Group's responsibility as a good corporate citizen to improve the quality of life in the communities in which it does business. Where possible, the Group will seek to contribute towards local cultural and educational organisations. Further details of the Company's Corporate and Social Responsibility programme are described in the Chairman's Statement & Operations Report.

### Future outlook

Details of the Group's affairs and the development of its various activities during the period, important events since the period end, and details of the Company's plans for the next year are given in the Chairman's Statement & Operations Report.

### Directors' interests

The interests of the Directors who were in office at the year end, and their families, in the issued share capital of the Company are as follows:

|            | 31 December 2025       |           | 31 December 2024       |           |
|------------|------------------------|-----------|------------------------|-----------|
|            | No. Of Ordinary Shares | % Holding | No. of Ordinary shares | % Holding |
| G Aherne   | 380,000,000            | 1.2%      | 60,000,000             | 0.2%      |
| K Bush     | 40,000,000             | 0.1%      | –                      | –         |
| A Butler   | 1,130,601,442          | 3.6%      | 692,601,442            | 2.7%      |
| J Chessher | 49,773,585             | 0.2%      | 6,000,000              | 0.0%      |
| R Collins  | 120,000,000            | 0.4%      | –                      | –         |
|            | 1,720,375,027          | 5.5%      | 758,601,442            | 2.9%      |

# Report of the Directors

## (continued)

Options and warrants held by the Directors are as follows:

|              | 31 December 2025<br>Number of<br>options<br>£0.0007 <sup>(1)</sup> | 31 December 2024<br>Number of<br>options<br>£0.0007 <sup>(1)</sup> |
|--------------|--------------------------------------------------------------------|--------------------------------------------------------------------|
| A Butler     | –                                                                  | 175,000,000                                                        |
|              | Number of<br>options<br>£0.000725 <sup>(2)</sup>                   | Number of<br>options<br>£0.000725 <sup>(2)</sup>                   |
| A Butler     | 425,000,000                                                        | 425,000,000                                                        |
| R Collins    | 300,000,000                                                        | 300,000,000                                                        |
|              | Number of<br>warrants<br>£0.000375 <sup>(3)</sup>                  | Number of<br>warrants<br>£0.000375 <sup>(3)</sup>                  |
| G Aherne     | 100,000,000                                                        | –                                                                  |
| K Bush       | 20,000,000                                                         | –                                                                  |
| A Butler     | 200,000,000                                                        | –                                                                  |
| J Chessher   | 20,000,000                                                         | –                                                                  |
| R Collins    | 60,000,000                                                         | –                                                                  |
| <b>Total</b> | <b>1,125,000,000</b>                                               | <b>900,00,000</b>                                                  |

(1) One option contract exercisable prior to 14 July 2025. See note 19 on page 65 for vesting conditions.

(2) Each £0.000725 option grants the holder the right to subscribe for one Ordinary Share at £0.000725 per share and are granted under one option contract exercisable prior to 20 November 2034. See note 19 on page 65 for vesting conditions.

(3) Each £0.000375 warrant grants the holder the right to subscribe for one Ordinary Share at £0.000375 per share and are granted under one Share Warrant Instrument exercisable prior to 21 October 2028.

Note that, as the above tables are shown as of 31 December 2025, share, option and warrant numbers are shown in pre-consolidated form. See Events After the Reporting Period on page 20.

Except as shown in note 24 to the Financial Statements (Related Party Transactions) on page 71, there have been no contracts or arrangements of significance during the period in which the Directors of the Company were interested.

Currently there are Appointment Letters and Service Contracts in place with all Directors of the Company and these contracts are available for inspection at the registered office of the Company on request.

### Remuneration policy

The Remuneration Committee's main aim is to ensure executive pay supports the company's long-term success while remaining fair, transparent, and aligned with shareholder interests. In a highly technical industry, attracting and retaining individuals with the necessary technical expertise and experience is vital in order to facilitate the Company's ability to fulfil its purpose and strategic goals.

The Remuneration Policy as set out by the Remuneration Committee ("Remuneration Policy") aims to:

- attract and retain talented executives by designing competitive pay packages;
- align pay with performance through measures such as bonuses linked to annual targets, long-term incentives plans and share-based compensation;
- promote long-term shareholder value by encouraging decisions that improve sustainable long-term performance rather than short-term risk taking;
- ensure fairness and transparency by regularly reviewing executive pay relative to company performance, market benchmarks and stakeholder expectations;
- maintain good corporate governance through independence in pay decisions, transparency in remuneration reports and compliance with regulatory and listing requirements.

# Report of the Directors

## (continued)

The Remuneration Policy sets out that executive Remuneration shall constitute three elements: Salary; Performance-related remuneration and Employee share options. Salary is set based on each executive's experience, contribution and value to Sunda Energy. Salaries are reviewed annually with no guarantee of increase.

Performance-related remuneration will normally be paid in the form of a cash bonus. Any such awards will be based on the achievement of stretching and transparent targets that are set to be aligned with the creation of shareholder and other stakeholder value. These are revised annually and could include:

- strategic milestones;
- KPIs;
- key financial value drivers;
- key non-financial value drivers, including ESG-linked targets.

Employee share options will be awarded to eligible personnel. The Remuneration Committee will review those eligible, with input provided by management where appropriate.

The Remuneration Committee takes into account both Company and individual performance, market value and sector conditions in determining remuneration. The Company maintains a policy of paying fair salaries compared with peer companies in the independent oil and gas sector. All current salaries are without pension benefits. Notice periods for Executive Directors are 6 months.

Base salaries are reviewed annually or when individuals change positions or responsibility, or the Company's situation changes.

The Company has not authorised any performance-related remuneration for non-executive directors.

The Remuneration Committee reviewed the remuneration policy in early 2026 and considered that it remained appropriate for the Company. The Committee noted the transitional phase the Company is entering into with the proposed acquisition of Matahio NZ and will continue to review the Company's approach to remuneration in due course.

The Board considers that its Remuneration Committee and Remuneration Policy are appropriate to the Company's current size, organisation and level of operations.

## Salaries and benefits

Details of salaries plus non-cash benefits paid during the year are shown below.

|             | Base<br>salary/fee<br>£ | Share-based<br>payments<br>£ | Total<br>2025<br>£ | Total<br>2024<br>£ |
|-------------|-------------------------|------------------------------|--------------------|--------------------|
| G Aherne**  | 65,000                  | –                            | 65,000             | 42,179             |
| A Butler*   | 326,642                 | 141,184                      | 467,826            | 17,333             |
| K Bush      | 40,000                  | –                            | 40,000             | 35,000             |
| J Chessher  | 45,000                  | –                            | 45,000             | 28,308             |
| R Collins   | 233,538                 | 99,660                       | 333,198            | 103,902            |
| J Ford      | –                       | –                            | –                  | 63,023             |
| J Wakefield | –                       | –                            | –                  | 28,077             |
| A Yeo       | –                       | –                            | –                  | 337,139            |
|             | 710,180                 | 240,844                      | 951,024            | 654,961            |

\* A service contract in respect of Dr A Butler was executed in March 2025. The pre-existing arrangement with SGPL continued until 16 March 2025 with fees amounting to £76,387 (2024: £321,376). Refer to note 24 on page 71 for details of related party transactions with companies controlled by Directors.

\*\* Fees in respect of Mr G Aherne are paid to Javelin Capital Partners LLP. Refer to note 24 on page 71 for details of related party transactions with companies controlled by Directors.

# Report of the Directors

## (continued)

No pension contributions were made during the period for the Directors (2024: none). The Directors did not receive any other emoluments, compensation or cash or non-cash benefits other than that disclosed above.

### Employees

The Group seeks to keep employees informed and involved in the operations and progress of the business by means of regular staff meetings by country, open to all employees and directors.

The Group operates an equal opportunities policy. The policy provides that full and fair consideration will be given to disabled applications for employment and that existing employees who become disabled will have the opportunity to retrain and continue in employment wherever possible.

### Events after the Reporting Period

On 10 February 2026, the Company announced that it had entered into an unsecured loan agreement (the "AB Loan") with Dr Andy Butler, CEO of the Company for up to £1.5 million with an initial drawdown of £400,000 being used to fund the transaction costs associated with a proposed acquisition and to provide additional working capital for Sunda's business activities. A further £750,000 was drawn down on 26 March 2026. The final tranche of £350,000 was drawn down on 8 April 2026. £750,000 of the outstanding loan was converted into equity on 29 April 2026 as part of the Subscription to fund the acquisition of Matahio NZ.

On 10 March 2026, the Company announced that its wholly owned subsidiary SundaGas Banda Unipessoal, Lda., operator of the TL-SO-19-16 Production Sharing Contract located offshore Democratic Republic of Timor-Leste, had been awarded an Environmental Licence for the drilling of the Chuditch-2 appraisal well.

On 8 April 2026, the Company announced that its wholly owned subsidiary SundaGas Banda Unipessoal, Lda. had entered into a letter of intent ("LOI") with Finder TIMOR-LESTE B.V. ("Finder"), to work together to secure a drilling rig for the two companies' drilling campaigns offshore Timor-Leste.

On 8 April 2026, the Company announced that it had signed a Share Sale and Purchase Agreement (the "Acquisition Agreement") with Matahio Ventures Pte.

Limited (the "Seller") for the conditional acquisition of Matahio NZ which, through two subsidiary companies, owns and operates 100% of a group of production and exploration permits located within the onshore area of the Taranaki Basin on the west coast of New Zealand's North Island. In addition, the Company conditionally raised subject to approval at the General Meeting on 29 April 2026 £6.7 million to fund the Acquisition as set out below:

- Firm Subscription by Alumni Capital raising £900,000 at 0.02975 pence per Firm Subscription Share;
- Convertible Loan Note Subscription by Alumni Capital, which will raise gross proceeds of up to £4,250,000, assuming all the tranches are drawn down by the Company;
- Conditional Subscriptions totalling £800,000 at the Issue Price comprising: (i) the conversion of £750,000 of the AB Loan; and (ii) conditional subscriptions by three other directors, Gerry Aherne (Non-Executive Chair), Keith Bush (Non-Executive Director) and John Chessher (Non-Executive Director), totalling £50,000;
- WRAP Retail Offer to existing shareholders of the Company raising up to £750,000 (of which £404,780 was eventually raised).

On 29 April, all resolutions were passed at the General meeting approving and putting into effect the acquisition of Matahio NZ, the Fundraising and the Share Consolidation.

As a result of the resolution with respect to share consolidation being passed at the Company's General Meeting on 29 April 2026, every 100 Existing Ordinary Shares was consolidated into one Consolidated Share. Before any further issue of shares, the post consolidated issued share capital was 345,018,634 ordinary shares of 0.1p each. Following the General Meeting, the Company issued 26,890,755 Conditional Subscription Shares and 13,606,029 Retail Offer Shares at 2.975p per ordinary share of 0.1p each resulting in the issued share capital being 385,515,418 ordinary shares of 0.1p each. In addition, 35,374,403 warrants were granted with respect to the Firm Subscription, Conditional Subscription Shares and Retail Offer Shares at a subscription price 4.4625p



# Report of the Directors

## (continued)

### Financial Review

#### Liquidity & Share Trading

The Board believes that high liquidity is important in attracting both small and institutional investors to the Company. In the period since the last report, the Company has had a high stock liquidity on the E&P sector on AIM.

#### Shares in Issue and Shareholders Profile

The number of shares in issue at 26 May 2026 was 400,941,457 New Ordinary Shares (see Events After the Reporting Period on page 20), with each share having equal voting rights. Sunda Energy Plc has 948 registered shareholders.

#### Significant shareholdings

The Company has been informed that, as of 26 May 2026, the following shareholders owned 3% or more of the issued share capital of the Company:

| Name                                           | Shares     | % of company |
|------------------------------------------------|------------|--------------|
| Hargreaves Lansdown (Nominees) Limited         | 92,885,366 | 23.17        |
| Interactive Investor Services Nominees Limited | 55,111,168 | 13.75        |
| HSDL Nominees Limited                          | 41,086,525 | 10.25        |
| Dr Andrew Butler                               | 36,516,098 | 9.11         |
| Pershing Nominees Limited                      | 35,264,928 | 8.80         |
| Barclays Direct Investing Nominees Limited     | 20,675,065 | 5.16         |
| Vidacos Nominees Limited                       | 19,739,053 | 4.92         |
| Lawshare Nominees Limited                      | 18,322,369 | 4.57         |

#### Listing

The Company's ordinary shares have been traded on the AIM market of the London Stock Exchange since 14 July 2004. Allenby Capital Limited is the Company's Nominated Adviser and Joint Broker, whilst H&P Advisory Limited were appointed as Joint Broker on 23 April 2025. The closing mid-market price on 26 May 2026 was 1.86p.

#### Financial instruments

Details of the financial risk management objectives and policies, and details on the use of financial instruments by the Company and its subsidiary undertakings, are provided in note 20 to the financial statements on page 66.

#### Going concern

The Directors have prepared a cash flow forecast covering the period to 30 June 2027 which contains certain assumptions about the development and

The shareholding distribution at 18 May 2025 is as follows:

| Range  | No of shares | No of shareholders |
|--------|--------------|--------------------|
| >10%   | 189,083,059  | 3                  |
| 5-10%  | 92,456,091   | 3                  |
| 1-5%   | 84,871,112   | 8                  |
| 0.5-1% | 11,701,390   | 4                  |
| <0.5%  | 22,829,805   | 930                |
|        | 400,941,457  | 948                |

strategy of the business. The Directors are aware of the risks and uncertainties facing the business and the assumptions used are the Directors' best estimate of its future development.

The Group cash flow forecast assumes that the acquisition of Matahio NZ completes in September 2026. The Company secured a CLN of £4.25 million to fund the acquisition. £1.25 million of the CLN has been drawn. The remaining £3 million contains draw down restrictions, including minimum market capitalisation of the Company and minimum trading volume. In the event that these restrictions take effect, the investor and the Company may mutually agree to waive the restriction(s). However, there is no guarantee that the investor will consent. The cash flow forecast demonstrates that the New Zealand assets are self-funding and will generate free cash flow at the current forward oil price curve.

# Report of the Directors

## (continued)

The Group submitted a request to ANP on 9 March 2026 to extend the current contract period of the PSC (which expires on 18 June 2026) to enable SundaGas to secure a drilling rig in collaboration with Finder. In order to substantially finance the Chuditch-2 well, the Group has been in discussions with Timor GAP to farm out an additional material working interest in the PSC on similar terms agreed in April 2025. Further capital required will be sourced from Group free cash flows, equity capital, a new working capital facility or a further farm down.

The cash flow forecast has been prepared on certain assumptions, the most significant of which are that the acquisition of Matahio NZ will complete, the full drawdown of the CLN, a working capital facility will be entered into with respect to the New Zealand assets, the farm-in with TIMOR GAP will conclude and further funding required to drill the Chuditch-2 will be secured. On the basis of the assumptions made in the cash flow forecast, the Group will have sufficient funds to pay its share of drilling costs of Chuditch-2 as well as operational overheads of the Group for the working capital period to 30 June 2027.

The Directors are confident of their ability to raise additional funds through new placing of shares or through other means; however there is no certainty that such fundraising will be successful. Similarly, if certain assumptions made in the forecast are not achieved then additional funds may be required. The Directors are confident that any cash shortfall can be met through the actions described above.

These conditions indicate that there is a material uncertainty which may cast significant doubt over the Group and Company's ability to continue as a going concern.

After considering the forecasts and the risks, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

The Group's Consolidated Financial Statements have been prepared on the going concern basis as detailed in Note 1.

### Publication on Company's website

Financial statements are published on the Company's website ([www.sundaenergy.com](http://www.sundaenergy.com)). The maintenance and integrity of the website are the responsibility of the Directors. The Directors' responsibility also extends to the financial statements contained therein. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other countries.

### Indemnity of officers

The Group may purchase and maintain, for any director or officer, insurance against any liability and the Group does maintain appropriate insurance cover against legal action brought against its directors and officers.

### Statement of disclosure to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group auditors are aware of that information.

### Auditor

A resolution for the reappointment of Gravita Audit II Limited as the company's auditor will be proposed at the forthcoming Annual General Meeting.

By order of the Board

**Geoffrey Barnes**  
Secretary

29 May 2026

# Corporate Governance Statement

The Directors recognise the importance of sound corporate governance. The Company has adopted the 2023 QCA Corporate Governance Code ("QCA Code"), which the Directors consider appropriate for a company of its size and nature. The QCA Code takes key elements of good governance and allows companies to apply them in a manner which is appropriate for the differing needs of small companies. The QCA Code is formed of 10 principles and is implemented on a "Comply or Explain" basis. The "Comply or Explain" maxim allows companies to inform shareholders where policies differ from the norm and why.

The Company will continue to report against the 2023 QCA code in future reports, highlighting where it deviates from this under the 'explain' maxim. The Company has set out its current application of the QCA Code in its Statement of Compliance with the QCA Corporate Governance Code, which is available on our website at <https://sundaenergy.com/responsibility/corporate-governance/> and should be read in conjunction with this report.

## The Board

The Board comprises two executive directors and three non-executive directors, details of whom are contained in the Report of the Directors included in this report.

The Board holds scheduled meetings at least four times a year and meets to discuss ad hoc matters as required. During 2025, the Board met 10 times. Each Director's Attendance is laid out below:

| Director             | Attended<br>(Meetings Eligible) |
|----------------------|---------------------------------|
| Gerry Aherne (Chair) | 10 (10)                         |
| Andy Butler (CEO)    | 10 (10)                         |
| Robert Collins (CFO) | 9 (9)                           |
| Keith Bush (NED)     | 9 (9)                           |
| John Chessher (NED)  | 9 (9)                           |

The Board operates under matters specifically reserved for decision by the Board of Directors ("Matters Reserved"). This document reflects the requirements of the QCA Code and sets out the Board's responsibility for, amongst other things:

- strategy;
- risk management and internal controls;
- major capital projects;
- policies; and
- significant financial and operational issues.

## The Audit Committee

The Audit Committee is comprised of the three independent Non-executive Directors with John Chessher as Chair and Gerry Aherne and Keith Bush as members. The Audit Committee meets at least twice a year, and the external auditors have the opportunity to meet with members of the Audit Committee without any executive management being present. The Audit Committee met three times during 2025.

The Audit Committee's terms of reference were reviewed in 2024 and approved by the Board in early 2025. The responsibilities of the Committee include the review of the Interim and Annual Financial Statements, review of internal controls, risk management and compliance procedures, consideration of the Company's accounting policies and the annual audit. The Committee is also responsible for satisfying itself in regard to disclosures made in the Annual Report.

The Committee is also responsible for key recommendations in relation to the external auditor, including monitoring the independence of the external auditor throughout the year. The Committee achieves this through consideration of any non-audit services provided as well as receiving a report from the auditor outlining any other factors which may impact independence. The Committee considers these factors before recommending the re-appointment of the auditor to the Board.

During 2025, the Committee considered matters such as:

- the Committee Terms of Reference;
- the 2024 audit report, including review of the performance and independence of the external auditor;
- the 2024 Annual Accounts including the:
  - adequacy of disclosure of accounting assumptions;
  - going concern statement and assumptions;
  - adequacy of risk disclosures; and
  - audit and Risk Committee Report and related disclosures.
- the 2025 Interim Accounts;
- 2025 Audit Planning;
- oversight of internal control policies;
- consideration of the necessity of an internal audit function.

# Corporate Governance Statement

## (continued)

### The Remuneration Committee

The Remuneration Committee is comprised of the three independent Non-executive Directors with John Chessher as Chair, and Gerry Aherne and Keith Bush as members. The Committee met twice in 2025. John Chessher, the Remuneration Committee's Chairman, is one of the Company's Non-executive Directors and is considered to be independent.

The Committee is responsible for the Company's Remuneration Policy, which is included in this report on page 18. This policy applies to the Executive Directors and other senior executives deemed to be within the remit of the Committee. The principles of this policy are set out in the Directors report, with the full policy set out on the Company's website. The Committee is also responsible for the individual remuneration package of the Chair of the Board and Executive Directors, to be agreed within the limits of the Remuneration Policy. The Committee also monitors the level and structure of compensation awarded to senior employees who are not within the direct remit of the Committee. The Board is responsible for the remuneration of Non-executive Directors. No director or senior executive shall be involved in any decisions as to their own remuneration.

The Committee is responsible for designing, setting targets for and administering performance-related pay schemes operated by the Company. The Committee also reviews the design of all share incentive plans, their approval being reserved to the Board. The Committee is responsible for any awards under such plans.

The Remuneration of the Directors in 2025 is set out on page 19.

During 2025, the Committee considered matters such as:

- executive performance against previous KPIs;
- development of future KPIs alongside executives;
- award of performance related remuneration for executive staff; and
- discussion with executives as to the award of performance related remuneration to non-executive staff.

### Health, Safety and Environmental Committee

The Board constituted in 2024 a Health, Safety and Environmental Committee ("HSE Committee") with Keith Bush as its Chair and Andy Butler, Gerry Aherne and John Chessher as members. Rob Collins is an invited attendee to the Committee. The Committee is governed by its terms of reference as approved by the Board in 2024.

The Committee meets when required and is responsible for review and monitoring of the Company's Health, Safety, Environment and Security ("HSES") framework. The Committee also receives reports from management on key matters related to Health and Safety within the Group and considers management responses to these matters. The Committee notes the planned increase in activity associated with the proposed acquisition of Matahio NZ and is working to prepare the Company for this transition.

### The Nominations Committee

Due to the small size of the Group, it is not considered necessary to have a Nominations Committee at this time in the Company's development and the Board reserves to itself the process by which a new director is appointed. The Board considers succession planning periodically as part of its regular meetings.

### Directors Skillset and Advice

In a highly technical industry, the Directors are able to keep their skill sets up to date through membership of their respective professional bodies. The Company encourages the Directors to allocate time to these activities and provides financial support for attendance which benefits the Company. Further details are provided in the Company's corporate governance statement on its website.

The Board receives regular advice from a team of advisors, including but not limited to accountants, lawyers, technical consultants and a nominated adviser, as required under the AIM Rules.

# Corporate Governance Statement

## (continued)

The Board also receives advice on ad hoc matters. In late 2025 and early 2026, the Board received significant advice in relation to the proposed acquisition of Matahio Energy NZ Limited. This has included advice from both UK-based and local legal representation, an externally led due diligence process and support from financial consultants where required.

### Board Evaluation

It is the role of the Non-executive Chair to assess the individual contributions of each of the members of the team to ensure that their respective contributions are relevant and effective, that they are committed and, where relevant, they have maintained their independence. Evaluation of the Board, the Committees and individual directors is undertaken on an ongoing basis.

The Company has not conducted a formal Board evaluation exercise this year given the Company's stage of development. As the Company is in a transitional phase, the Board does not believe that an evaluation exercise in the immediate term will provide value to the Company. The company will, however, seek to hold a Board evaluation in the short to medium term to comply with the Code.

### Communications

The Company, which also uses third party external communications consultants, provides information on Group activities by way of press releases, Interim and Annual Financial Statements and also its website ([www.sundaenergy.com](http://www.sundaenergy.com)). The Company's website is updated regularly and contains all operational reports, press releases and Interim and Annual Financial Statements.

### Internal control and risks

The Board has the overall responsibility for identifying, evaluating and taking the necessary action to manage the risks faced by the Company and the Group. The Board fulfils this obligation by maintaining a sound system of internal control, assurance and risk management including:

- a) a robust assessment of the Company's emerging and principal risks to the extent relevant to the business;
- b) reviewing the effectiveness of the group's risk management, assurance activities and internal control processes;

- c) approving procedures for the detection of fraud and the prevention of bribery and annual review of the same;
- d) undertaking an annual assessment of these processes through the Audit Committee; and
- e) approving an appropriate statement for inclusion in the annual report.

The process of internal control is not to eliminate risk, but to manage the risk to reasonably minimise loss.

As a Company involved in the search for hydrocarbons, the Company is constantly considering its impact on the environment. The Company employs Health Safety and Environment specialists as well as environmental consultants where necessary. As a necessary part of its activities, the Company makes submission to local regulators for environmental licenses, as part of this submission setting out in detail any impact that the Company may have on the environment and mitigations in place. In early 2026, the Company received its environmental license for Chuditch-2. A copy of this license as well as the final Environmental Impact Statement and Environmental Management Plan documents are available on the Company's website.

### Corporate culture

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset. The Company operates in international markets and is careful to ensure it operates in conformity with its listing regulations as well as the social, legal, religious and cultural requirements of the countries in which it operates. Through developing sustainable long-term relationships with its partners and the community, Sunda Energy aims to conduct business and enhance value in a responsible manner.

The Company aspires to achieve the highest standards of HSE performance as the Board wishes to earn the confidence of those the Company works with and for it to be a good corporate citizen. Strong corporate citizenship and an HSE focused culture enables the smooth operation of the Company's purpose and enactment of its strategy across the jurisdictions that it operates through fostering trust and support in both the Company's partners and local communities. Further details of how the Company has fostered this trust are available in the Corporate Social Responsibility section of this report.



# Corporate Governance Statement

## (continued)

The Directors take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all the Company's business dealings and relationships, wherever it operates, and to implementing and enforcing effective systems to counter bribery and corruption. To this end, the Company approved an updated Anti-Bribery and Corruption Policy on 10 February 2025. Sunda Energy upholds all laws relevant to countering bribery and corruption in all the jurisdictions in which it operates. In particular, it adheres to the laws of England & Wales, including the Bribery Act 2010, in respect of conduct in all jurisdictions in which it operates.

The Board has also implemented both a Whistleblower policy and an Anti-Money Laundering Policy which provide a policy framework that supports employees to voice concerns.

The Company seeks to keep employees, contractors and consultants informed and involved in the operations and progress of the business.

The Company is an equal opportunity employer and seeks to hire, promote and retain highly skilled people based on merit, competence, performance, and business needs. The Company is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of ethnic origin, religion, political opinion, gender, marital status, disability, age or sexual orientation. Existing employees who become disabled will have the opportunity to retrain and continue in employment wherever possible.

Given the size and stage of development of the Company, the Board will receive reports of adverse cultural behaviours at its Meetings from executive management.

### Compliance with the QCA Code

The Company has sought wherever possible to comply with the requirements of the QCA Code. Following the recent announcement of the Company's conditional acquisition of Matahio NZ and its subsidiary companies, the Company has entered into a transitional phase that will see the Company develop into an oil and gas producer. As such, the Board have taken pragmatic decisions in relation to the requirements of the QCA Code and their application to the Company at this moment. This includes the decision not to put the Remuneration Policy or Report to a vote of the shareholders and the decision not to hold a Board evaluation. Further detail is provided within the Company's Corporate Governance statement on its website. The Board will look to align more fully with the Code moving forwards, following the Company's development.

Owing to the delay in the proposed timeline to drill the Chuditch-2 well, the Company's Health, Safety and Environment Committee did not meet as often as proposed during 2025, though this is expected to change going forwards further to the proposed acquisition of Matahio Energy NZ Limited.

# Statement of Directors' Responsibilities

## in respect of the Strategic Report, the Report of the Directors and the Financial Statements

### Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial periods. The directors have elected to prepare Group financial statements under UK-adopted International Accounting Standards and Company financial statements under Financial Reporting Standard 101 Reduced Disclosure Framework. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year. The Directors are also required to prepare the financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the AIM market.

In preparing those financial statements, the Directors are required:

- to select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- state whether financial statements have been prepared in accordance with UK adopted International Accounting Standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

By order of the board

**Gerry Aherne**

**Non-executive Chair**

29 May 2026

# Report of the Independent Auditor

## to the Members of Sunda Energy Plc

### Opinion

We have audited the financial statements of Sunda Energy Plc ('the Company') and its subsidiaries (together 'the Group') for the year ended 31 December 2025 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated and company statement of changes in equity, the consolidated and company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and Financial Reporting Standard 101 Reduced Disclosure Framework as applied in accordance with the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (IFRS);
- the Company financial statements have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

We draw attention to Note 1 of the financial statements which indicates that according to the Directors' forecast, in a base case scenario, the Group's required financing is dependent on a number of assumptions and events which are outside the control of the Group. Should those events not occur, the Group may need to raise additional funds to continue to meet its obligations as they fall due. Additionally, if the Group's actual share of costs to drill the Chuditch-2 well are in excess of budgeted costs then additional funds will be required.

The timing and fact of the New Zealand government's approval of the acquisition of Matahio Energy NZ Limited, and the timing, terms and fact of an extension to the Timor Leste Production Sharing Contract TL-SO-19-16 Year 3 are outside of the Group's control. Similarly, the accessibility of undrawn Convertible Loan Notes, the terms and execution of a proposed Farm In with Timor Gap Chuditch Unipessoal Lda for the Chuditch project, and the accessibility of other working capital facilities which may be sought, are outside the Group's control and therefore uncertain.

As stated in the respective disclosures, these conditions along with the other matters set out in those disclosures, indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included the following procedures:

- We performed a detailed review of the Group's cash flow forecasts in comparison to cash balances held shortly before the approval of these financial statements to assess the reasonableness of the starting point for projections;
- We confirmed that the forecasts cover an appropriate period, being at least 12 months from the date of approval of the financial statements;
- We obtained and reviewed the Convertible Loan Note instrument to consider the timing and quantum of potential cash flows arising from that instrument;

# Report of the Independent Auditor

## (continued)

- We reviewed the actual trading volumes in the recent period and compared this data to the trading volumes which would give rise to drawdown restrictions associated with the Convertible Loan Notes;
- We noted the recent share price movements and volatility to assess the likely headroom above the drawdown restrictions associated with the Convertible Loan Notes in terms of market capitalisation;
- We obtained and reviewed the executed Share Sale and Purchase Agreement in respect of Matahio Energy NZ Limited and noted the amount, timing and conditionality of future consideration payments contractually due under that agreement;
- We challenged management on the assumptions applied in respect of future amounts due, including assumptions made as to the effects of elevated oil prices on settlement of consideration; and the basis on which future oil prices had been projected;
- We identified the key assumptions in management's cash flow forecasts and identified that these include the planned budget for the Group's share of Chuditch drilling costs, successfully accessing the necessary funding for the drill including successful executed a Farm In agreement, the assumption that New Zealand government approval will be received for the acquisition of Matahio Energy NZ Limited and the assumption that the Timor Leste Production Sharing Contract TL-SO-19-16 Year 3 will be extended;
- We challenged management on the effects on future cash flows should any of these key assumptions not occur, or occur with timings or terms otherwise than as assumed;
- We observed the receipts of cash from the Group's recent funding round, including Alumni Capital and director subscriptions, a retail offer and a Convertible Loan Note drawdown to bank statements;
- We reviewed the terms of the previously agreed conditional Farm In agreement with Timor Gap which, upon taking effect, would have decreased the Group's working interest to 30% and noted that an assumed future iteration of the Farm In agreement with similar terms is yet to be executed;
- We reviewed the terms of a Letter of Intent with Finder Energy in terms of a proposed rig sharing arrangement and noted public statements by Finder Energy in respect of their planned activities in the Timor Sea. We also reviewed the terms of a previously executed rig contract as an indication of the achievable pricing for a drilling rig in the region.

We noted that the mobilisation of a drilling rig forms the basis of the single largest expense budgeted for the Chuditch drilling campaign;

- We reviewed evidence supporting a sample of budgeted drilling costs;
- We considered the degree of expertise the Group has in respect of accurately budgeting for an offshore gas drill and reviewed the inputs to the drill budget;
- We reviewed evidence of the wider political and economic factors of the drill which could impact the interest of third parties in providing funding should additional funds be required;
- We reviewed the suitability of disclosures surrounding going concern including the assumptions made by management in forming their conclusions and the nature of the uncertainties identified in forming their conclusions;
- We obtained and reviewed Production Sharing Contracts 80 and 81 to understand the scope of the Group's obligations at its Sulu Sea project in the Philippines and compared this to the projected cash outflows;
- We reviewed the basis for projected corporate overheads including by reference to recent actual expenditures and other planned activities; and
- We reviewed Term Sheets regarding potential working capital facilities and considered the Group's historic record in fundraising to achieve its stated exploration objectives.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### Our approach to the audit

We tailored the scope of our audit work to ensure we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls and the industry in which the Group operates.

As Group auditor we carried out the audit of the Company financial statements and, in accordance with ISA (UK) 600, obtained sufficient appropriate evidence regarding the audit of the Group's Singaporean and Timorese subsidiaries Sundagas (Timor-Leste Sahul) Pte Ltd, Sundagas Banda Unipessoal, Lda and Sunda Energy Ventures Pte Ltd. These subsidiaries were deemed to be significant to the Group financial statements due to their size or function within the Group. The Group audit team directed, supervised and reviewed the work of the

# Report of the Independent Auditor

## (continued)

component auditors in Singapore who performed a full scope audit of the subsidiaries in Singapore and Timor-Leste, which involved issuing detailed instructions, holding video calls and performing a review of key working papers. Audit work in Singapore and Timor-Leste was performed at materiality levels ranging between £33,000 and £66,000, which was lower than Group materiality.

We also performed targeted procedures in respect of Gold Oil Peru SAC.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Impairment of exploration assets (Group) and net investment in subsidiaries (Company)</b></p> <p>At 31 December 2025 the group held exploration assets of £7.1m (2024: £5.1m). The assets principally represent costs capitalised associated with the Chuditch asset in Timor Leste in line with the Group's IFRS 6 accounting policy for exploration expenditure under which costs are capitalised once the Group secures the rights to explore and the underlying exploration rights remain in good standing.</p> <p>The Board perform an annual review of impairment indicators based on the available industry, economic and resource data available to them.</p> <p>The Company's net investment in subsidiaries at 31 December 2025 was £11.2m (2024: £8.9m). This balance relates entirely to the Company's subsidiaries in Singapore and Timor Leste and comprises both equity investments and loans. In view of this balance being materially in excess of the Group's market capitalisation at 31 December 2025, as well as the net assets of the investees, management performed an impairment test by reference to the fair value of the investee. The fair value of the investee is substantially represented by the fair value of the Chuditch project.</p> <p>The subsidiaries are solely involved in progressing the Chuditch project and therefore potential impairment of the Company's net investment is assessed on the same basis as impairment of the Group's Chuditch exploration asset.</p> | <p>The Directors' impairment review concluded that an impairment was not required in respect of the Group's Chuditch exploration asset, or of the Company's net investment in subsidiaries, at the year end.</p> <p>We have assessed and understood the methodology used by the Directors in their impairment analysis and determined it to be reasonable.</p> <p>We reviewed the underlying Production Sharing Contract and wider available evidence to examine whether the Group had complied with its minimum performance obligations and therefore whether there was evidence of impairment due to non-compliance as at 31 December 2025.</p> <p>We also reviewed the most recent competent persons' report on the Chuditch exploration assets to understand if the basis for the Directors' conclusions was consistent with the information contained within that report.</p> <p>We reviewed management's internal valuation of the Chuditch asset, as well as those prepared by external advisers, for any indication of potential impairment.</p> <p>In respect of the Company's loans to subsidiaries we also examined the basis on which the loans are presented as part of the Company's net investment by reference to the underlying business model, future expectations and intentions of management.</p> <p>We concluded that the Directors' impairment assessment was reasonable and that the Company's loans to subsidiaries were fairly presented as part of the net investment.</p> |



# Report of the Independent Auditor

(continued)

## Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and

extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

|                                       | Group                                                                                                                                                                                                                                                                                                                           | Company                                                                                                 |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Overall materiality</b>            | £150,000 (2024: £100,000)                                                                                                                                                                                                                                                                                                       | £145,000 (2024: £100,000)                                                                               |
| <b>How we determined it this year</b> | Based on 1.75% of gross assets.                                                                                                                                                                                                                                                                                                 | Based on 1% of gross assets but capped to be lower than Group materiality.                              |
| <b>Rationale for benchmark used</b>   | The Group's principal activity is the furtherance of its exploration activities and therefore cash and capitalised exploration assets are the Group's key assets. The Group held no debt and minimal liabilities at year end. For this reason, a materiality measure based on gross assets was considered the most appropriate. | The Company principally acts as a holding company and therefore gross assets is an appropriate measure. |

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceed materiality for the financial statement as a whole. Performance materiality was set at £105,000 and £100,000 for the Group and Company respectively.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £7,250 (2024: £5,000) for both the Group and Company respectively as well as misstatements below this amount that, in our view, warranted reporting for qualitative reasons.

## Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

# Report of the Independent Auditor

## (continued)

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

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 27, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group and Company through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and Company including company law, taxation legislation, anti-bribery and anti-money laundering regulations.

# Report of the Independent Auditor

## (continued)

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the Group and Company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
  - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
  - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
  - agreeing financial statement disclosures to underlying supporting documentation;
  - reading the minutes of meetings of those charged with governance;
  - enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of this report

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

**Joseph Brewer**  
**Senior Statutory Auditor**

For and on behalf of

**Gravita Audit II Limited (Statutory Auditors,  
Chartered Accountants)**

Aldgate Tower  
2 Leman Street  
London  
E1 8FA

29 May 2026

# Consolidated Income Statement

for the year ended 31 December 2025

|                                                 | Notes | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------------------|-------|---------------|---------------|
| <b>Revenue</b>                                  |       | –             | –             |
| Cost of sales                                   |       | –             | –             |
| <b>Gross profit</b>                             |       | –             | –             |
| Exploration and evaluation expenditure          | 3     | (334)         | (170)         |
| Property, plant and equipment depreciation      | 9     | (33)          | (37)          |
| Peru closure costs                              |       | (13)          | (6)           |
| Administration expenses                         | 3     | (1,929)       | (2,222)       |
| Recovery of historic costs on farm-out          |       | –             | 221           |
| Gain/(loss) on exchange                         | 3     | (43)          | 15            |
| Operating loss                                  | 3     | (2,352)       | (2,199)       |
| Finance cost                                    | 6     | (505)         | (2)           |
| Finance income                                  | 6     | 19            | 152           |
| Loss on ordinary activities                     |       | (2,838)       | (2,049)       |
| Income tax expense                              | 7     | –             | –             |
| Loss for the year                               |       | (2,838)       | (2,049)       |
| <b>Earnings per ordinary share – continuing</b> | 8     |               |               |
| Basic                                           |       | (0.01p)       | (0.008p)      |
| Diluted                                         |       | (0.01p)       | (0.008p)      |

# Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

|                                                                                                    | 2025<br>£'000 | 2024<br>£'000 |
|----------------------------------------------------------------------------------------------------|---------------|---------------|
| Loss for the year                                                                                  | (2,838)       | (2,049)       |
| <b>Other comprehensive income: items which may subsequently be reclassified to profit and loss</b> |               |               |
| Exchange difference on translating foreign operations                                              | (442)         | 80            |
| Total comprehensive loss for the year                                                              | (3,280)       | (1,969)       |
| Total comprehensive loss attributable to Owners of the parent                                      | (3,280)       | (1,969)       |



# Consolidated Statement of Financial Position

at 31 December 2025

|                                                                  | Notes | 2025<br>£'000 | 2024<br>£'000 |
|------------------------------------------------------------------|-------|---------------|---------------|
| <b>Assets</b>                                                    |       |               |               |
| <b>Non current assets</b>                                        |       |               |               |
| Property plant and equipment                                     | 9     | 56            | 28            |
| Intangible fixed assets                                          | 10    | 7,149         | 5,059         |
|                                                                  |       | 7,205         | 5,087         |
| <b>Current assets</b>                                            |       |               |               |
| Trade and other receivables                                      | 12    | 95            | 86            |
| Performance bond guarantee deposit                               | 13    | 1,486         | 1,596         |
| Cash and cash equivalents                                        | 14    | 328           | 3,171         |
|                                                                  |       | 1,909         | 4,853         |
| Total assets                                                     |       | 9,114         | 9,940         |
| <b>Equity and liabilities</b>                                    |       |               |               |
| <b>Capital and reserves attributable to owners of the parent</b> |       |               |               |
| Share capital                                                    | 16    | 7,869         | 6,378         |
| Share premium account                                            |       | 40,640        | 40,242        |
| Share-based payment reserve                                      |       | 405           | 338           |
| CLN warrant valuation reserve                                    |       | 388           | –             |
| Foreign exchange translation reserve                             |       | 353           | 795           |
| Accumulated losses                                               |       | (41,015)      | (38,434)      |
| Total equity                                                     |       | 8,640         | 9,319         |
| <b>Current liabilities</b>                                       |       |               |               |
| Trade and other payables                                         | 15    | 433           | 597           |
| Taxes payable                                                    | 15    | 17            | 16            |
|                                                                  |       | 450           | 613           |
| <b>Non-current liabilities</b>                                   |       |               |               |
| Financial liabilities                                            | 15    | 24            | 8             |
| Total equity and liabilities                                     |       | 9,114         | 9,940         |

The financial statements were approved and authorised for issue by the Board of Directors on 29 May 2026 and were signed on its behalf by:

**G Aherne**  
Director

**A Butler**  
Director

Company number: 05098776

# Company Statement of Financial Position

## at 31 December 2025

|                                     | Notes | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------|-------|---------------|---------------|
| <b>Assets</b>                       |       |               |               |
| <b>Non current assets</b>           |       |               |               |
| Property plant and equipment        | 9     | 9             | 19            |
| Intangible fixed assets             | 10    | 61            | –             |
| Investments                         | 11    | 11,235        | 8,878         |
|                                     |       | 11,305        | 8,897         |
| <b>Current assets</b>               |       |               |               |
| Trade and other receivables         | 12    | 97            | 58            |
| Cash and cash equivalents           | 14    | 237           | 2,379         |
|                                     |       | 334           | 2,437         |
| <b>Total assets</b>                 |       | <b>11,639</b> | <b>11,334</b> |
| <b>Equity and liabilities</b>       |       |               |               |
| Capital and reserves                |       |               |               |
| Share capital                       | 16    | 7,869         | 6,378         |
| Share premium                       |       | 40,640        | 40,242        |
| Share-based payment reserve         |       | 405           | 338           |
| CLN warrant valuation reserve       |       | 388           | –             |
| Accumulated losses                  |       | (37,956)      | (35,731)      |
| <b>Total equity</b>                 |       | <b>11,346</b> | <b>11,227</b> |
| <b>Current liabilities</b>          |       |               |               |
| Trade and other payables            | 15    | 276           | 83            |
| Taxes payable                       | 15    | 17            | 16            |
|                                     |       | 293           | 99            |
| <b>Non-current liabilities</b>      |       |               |               |
| Financial liabilities               | 15    | –             | 8             |
| <b>Total equity and liabilities</b> |       | <b>11,639</b> | <b>11,334</b> |

As permitted by section 408 of the Companies Act 2006, the Company's income statement has not been included in these financial statements. The loss of the Company for the year was £2,482,000 (2024: loss of £1,273,000).

The financial statements were approved and authorised for issue by the Board of Directors on 29 May 2026 and were signed on its behalf by:

**G Aherne**  
Director

**A Butler**  
Director

Company number: 05098776

# Consolidated and Company Statement of Changes in Equity

for the year ended 31 December 2025

| Group                                                             | Share capital<br>£'000 | Share premium<br>£'000 | Accumulated losses<br>£'000 | Share-based payment reserve<br>£'000 | CLN warrant valuation reserve<br>£'000 | Foreign exchange translation reserve<br>£'000 | Total equity<br>£'000 |
|-------------------------------------------------------------------|------------------------|------------------------|-----------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------|-----------------------|
| <b>As at 1 January 2024</b>                                       | <b>4,746</b>           | <b>38,881</b>          | <b>(36,406)</b>             | <b>319</b>                           | <b>–</b>                               | <b>715</b>                                    | <b>8,255</b>          |
| Issue of new shares                                               | 1,632                  | 1,632                  | –                           | –                                    | –                                      | –                                             | 3,264                 |
| Share issue costs                                                 | –                      | (271)                  | –                           | –                                    | –                                      | –                                             | (271)                 |
| Transactions with owners                                          | 1,632                  | 1,361                  | –                           | –                                    | –                                      | –                                             | 2,993                 |
| Loss for the year attributable to equity shareholders             | –                      | –                      | (2,049)                     | –                                    | –                                      | –                                             | (2,049)               |
| Share based payments                                              | –                      | –                      | –                           | 40                                   | –                                      | –                                             | 40                    |
| Share-based payment reserve released on lapse of options          | –                      | –                      | 21                          | (21)                                 | –                                      | –                                             | –                     |
| Foreign exchange translation adjustments                          | –                      | –                      | –                           | –                                    | –                                      | 80                                            | 80                    |
| Total comprehensive income for the period                         | –                      | –                      | (2,028)                     | 19                                   | –                                      | 80                                            | (1,929)               |
| <b>As at 1 January 2025</b>                                       | <b>6,378</b>           | <b>40,242</b>          | <b>(38,434)</b>             | <b>338</b>                           | <b>–</b>                               | <b>795</b>                                    | <b>9,319</b>          |
| Issue of new shares                                               | 710                    | –                      | –                           | –                                    | –                                      | –                                             | 710                   |
| Conversion of convertible loan notes                              | 781                    | 467                    | –                           | –                                    | –                                      | –                                             | 1,248                 |
| Share issue costs                                                 | –                      | (69)                   | –                           | –                                    | –                                      | –                                             | (69)                  |
| Transactions with owners                                          | 1,491                  | 398                    | –                           | –                                    | –                                      | –                                             | 1,889                 |
| Loss for the year attributable to equity shareholders             | –                      | –                      | (2,838)                     | –                                    | –                                      | –                                             | (2,838)               |
| Share based payments                                              | –                      | –                      | –                           | 324                                  | –                                      | –                                             | 324                   |
| Share-based payment reserve released on lapse of options          | –                      | –                      | 257                         | (257)                                | –                                      | –                                             | –                     |
| Value of warrants granted on conversion of Loan Notes into equity | –                      | –                      | –                           | –                                    | 388                                    | –                                             | 388                   |
| Foreign exchange translation adjustments                          | –                      | –                      | –                           | –                                    | –                                      | (442)                                         | (442)                 |
| Total comprehensive income for the period                         | –                      | –                      | (2,581)                     | 67                                   | 388                                    | (442)                                         | (2,568)               |
| <b>As at 31 December 2025</b>                                     | <b>7,869</b>           | <b>40,640</b>          | <b>(41,015)</b>             | <b>405</b>                           | <b>388</b>                             | <b>353</b>                                    | <b>8,640</b>          |

# Consolidated and Company Statement of Changes in Equity

for the year ended 31 December 2025 (continued)

| Company                                                           | Share capital<br>£'000 | Share premium<br>£'000 | Accumulated losses<br>£'000 | Share-based payment reserve<br>£'000 | CLN warrant valuation reserve<br>£'000 | Total equity<br>£'000 |
|-------------------------------------------------------------------|------------------------|------------------------|-----------------------------|--------------------------------------|----------------------------------------|-----------------------|
| <b>As at 1 January 2024</b>                                       | <b>4,746</b>           | <b>38,881</b>          | <b>(34,479)</b>             | <b>319</b>                           | <b>–</b>                               | <b>9,467</b>          |
| Issue of new shares                                               | 1,632                  | 1,632                  | –                           | –                                    | –                                      | 3,264                 |
| Share issue costs                                                 | –                      | (271)                  | –                           | –                                    | –                                      | (271)                 |
| Transactions with owners                                          | 1,632                  | 1,361                  | –                           | –                                    | –                                      | 2,993                 |
| Loss for the year                                                 | –                      | –                      | (1,273)                     | –                                    | –                                      | (1,273)               |
| Share based payments                                              | –                      | –                      | –                           | 40                                   | –                                      | 40                    |
| Share-based payment reserve released on lapse of options          | –                      | –                      | 21                          | (21)                                 | –                                      | –                     |
| Total comprehensive income for the period                         | –                      | –                      | (1,252)                     | 19                                   | –                                      | (1,233)               |
| <b>As at 1 January 2025</b>                                       | <b>6,378</b>           | <b>40,242</b>          | <b>(35,731)</b>             | <b>338</b>                           | <b>–</b>                               | <b>11,227</b>         |
| Issue of new shares                                               | 710                    | –                      | –                           | –                                    | –                                      | 710                   |
| Conversion of convertible loan notes                              | 781                    | 467                    | –                           | –                                    | –                                      | 1,248                 |
| Share issue costs                                                 | –                      | (69)                   | –                           | –                                    | –                                      | (69)                  |
| Transactions with owners                                          | 1,491                  | 398                    | –                           | –                                    | –                                      | 1,889                 |
| Loss for the year                                                 | –                      | –                      | (2,482)                     | –                                    | –                                      | (2,482)               |
| Share based payments                                              | –                      | –                      | –                           | 324                                  | –                                      | 324                   |
| Share-based payment reserve released on lapse of options          | –                      | –                      | 257                         | (257)                                | –                                      | –                     |
| Value of warrants granted on conversion of Loan Notes into equity | –                      | –                      | –                           | –                                    | 388                                    | 388                   |
| Total comprehensive income for the period                         | –                      | –                      | (2,225)                     | 67                                   | 388                                    | (1,770)               |
| <b>As at 31 December 2025</b>                                     | <b>7,869</b>           | <b>40,640</b>          | <b>(37,956)</b>             | <b>405</b>                           | <b>388</b>                             | <b>11,346</b>         |

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Accumulated losses represent the cumulative loss of the Group attributable to equity shareholders.

Share-based payment reserve represents the total of amounts charged to the Income Statement in respect of options granted that remain outstanding at the period end.

CLN warrant valuation reserve arises from the fair value of warrants granted on the issue of Convertible Loan Notes.

Foreign exchange translation occurs on consolidation of the translation of the subsidiaries balance sheets at the closing rate of exchange and their income statements at the average rate.

# Consolidated Statement of Cash Flows

for the year ended 31 December 2025

|                                                        | Notes | 2025<br>£'000  | 2024<br>£'000  |
|--------------------------------------------------------|-------|----------------|----------------|
| <b>Operating activities</b>                            |       | <b>(2,260)</b> | <b>(1,677)</b> |
| <b>Investing activities</b>                            |       |                |                |
| Return from investment                                 |       | 19             | 152            |
| Performance bond guarantee deposit repaid              |       | –              | 792            |
| Performance bond guarantee deposit paid out            |       | –              | (1,569)        |
| Additions to exploration and evaluation assets         | 10    | <b>(2,343)</b> | <b>(1,738)</b> |
| Part disposal of exploration and evaluation asset      |       | –              | 498            |
| Acquisition of tangible assets                         |       | –              | (9)            |
| Disposal of tangible assets                            |       | –              | 2              |
| Net cash (outflow) from investing activities           |       | <b>(2,324)</b> | <b>(1,872)</b> |
| <b>Financing activities</b>                            |       |                |                |
| Net proceeds from issue of share capital               | 16    | <b>640</b>     | 2,993          |
| Net proceeds from issue of Convertible Loan Notes      | 17    | <b>1,135</b>   | –              |
| Lease financing                                        |       | <b>(34)</b>    | <b>(33)</b>    |
| Net cash inflow from financing activities              |       | <b>1,741</b>   | 2,960          |
| Net cash outflow                                       |       | <b>(2,843)</b> | <b>(589)</b>   |
| Cash and cash equivalents at the beginning of the year | 14    | <b>3,171</b>   | 3,760          |
| Cash and cash equivalents at the end of the year       | 14    | <b>328</b>     | 3,171          |



# Consolidated Statement of Cash Flows

for the year ended 31 December 2025 (continued)

## Note to the Consolidated Statement of Cash Flows

|                                                             | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------------------------------|---------------|---------------|
| <b>Operating activities</b>                                 |               |               |
| Loss for the year                                           | (2,838)       | (2,049)       |
| Depreciation, amortisation and impairment charges           | 33            | 37            |
| Share based payments                                        | 324           | 40            |
| Finance income shown as an investing activity               | (19)          | (152)         |
| Non-cash finance cost                                       | 501           | –             |
| Interest on lease liability                                 | 4             | 2             |
| Foreign exchange translation                                | (77)          | 9             |
| Operating cash outflows before movements in working capital | (2,072)       | (2,113)       |
| (Increase)/decrease in receivables                          | (9)           | 5             |
| (Decrease)/increase in payables                             | (179)         | 431           |
| Net cash outflows from operating activities                 | (2,260)       | (1,677)       |

# Notes to the Financial Statements

## General Information

Sunda Energy Plc is a public limited company incorporated in England and Wales and quoted on the AIM market of the London Stock Exchange. The address of the registered office is disclosed on page 2. The principal activity of the Group is described in the Strategic Report on page 10.

## 1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### Going concern basis

The Directors have prepared a cash flow forecast covering the period to 30 June 2027 which contains certain assumptions about the development and strategy of the business. The Directors are aware of the risks and uncertainties facing the business and the assumptions used are the Directors' best estimate of its future development.

The Group cash flow forecast assumes that the acquisition of Matahio NZ completes in September 2026. The Company secured a CLN of £4.25 million to fund the acquisition. £1.25 million of the CLN has been drawn. The remaining £3 million contains draw down restrictions, including minimum market capitalisation of the Company and minimum trading volume. In the event that these restrictions take effect, the investor and the Company may mutually agree to waive the restriction(s). However, there is no guarantee that the investor will consent. The cash flow forecast demonstrates that the New Zealand assets are self-funding and will generate free cash flow at the current forward oil price curve.

The Group has submitted a request on 9 March 2026 to ANP to extend the current contract period of the PSC (which expires on 18 June 2026) to enable SundaGas to secure a drilling rig in collaboration with Finder. In order to substantially finance the Chuditch-2 well, the Group has been in discussions with Timor GAP to farm out an additional material working interest in the PSC on similar terms agreed in April 2025. Further capital required will be sourced from Group free cash flows, equity capital, a new working capital facility or a further farm down.

The cash flow forecast has been prepared on certain assumptions, the most significant of which are the acquisition of Matahio NZ will complete, the full drawdown of the CLN, a working capital facility will be entered into with respect to the New Zealand assets and the farmin with TIMOR GAP will conclude and further funding required to drill the Chuditch-2 will be secured. On the basis of the assumptions made in the cash flow forecast, the Group will have sufficient funds to pay its share of drilling costs of Chuditch -2 as well as operational overheads of the Group for the period to 30 June 2027.

The Directors are confident of their ability to raise additional funds through new placing of shares or through other means, however there is no certainty that such fundraising will be successful. Similarly, if certain assumptions made in the forecast are not achieved then additional funds may be required. The Directors are confident that any cash shortfall can be met through the actions described above.

These conditions indicate that there is a material uncertainty which may cast significant doubt over the Group and Company's ability to continue as a going concern.

After considering the forecasts and the risks, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

#### Basis of preparation

The group financial statements have been prepared in accordance with UK adopted International Accounting Standards and IFRIC interpretations issued by the International Accounting Standards Board (IASB) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The group financial statements have been prepared under the historical cost convention modified in respect of the presentation of certain financial assets at fair value. The principal accounting policies adopted are set out below.

The separate financial statements of the Company are presented in accordance with Financial Reporting Standard 101 – “Reduced Disclosure Framework” and the Companies Act 2006. They have been prepared under the historical cost convention, modified in respect of the revaluation of certain financial assets at fair value.

The financial statements are presented in Pounds Sterling and have been rounded to the nearest thousand (£'000).

#### FRS 101 Disclosure exemptions adopted

In preparing these financial statements, the Company has taken advantage of certain exemptions available under FRS 101. Therefore the Company financial statements have taken exemption from:

- The requirements of IFRS 7 Financial Instruments: Disclosures, as equivalent disclosures are included in the consolidated financial statements of the Group in which the entity is consolidated.
- The requirements of paragraphs 10(d) and 111 (statement of cash flows), 134 to 136 (managing capital), and 16 (statement of compliance with IFRS) of IAS 1 Presentation of Financial Statements.
- The requirements of IAS 7 Statement of Cash Flows and related notes.
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### Changes in accounting policies and disclosures

##### Adoption of new and revised standards

###### a) The impact of new IFRSs adopted during the year

During the year the Group adopted the following IFRS amendments and standards which were effective for the first time in periods commencing on or after 1 January 2025:

- IAS 21 *The Effects of Changes in Foreign Exchange Rates* (Amendments) – Lack of exchangeability (1 January 2025)

The above was considered not to have a material impact.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

#### b) New standards, interpretations and amendments not yet effective

The following IFRSs and amendments have been issued by the IASB but are not effective until a future period, with timing expected to be from periods commencing with the date indicated.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments) (1 January 2026)
- Annual Improvements to IFRS Volume 11 (Amendments to IFRS 1 First-Time Adoption of IFRS; IFRS 7 Financial Instruments Disclosures; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows) (1 January 2026)
- Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 36 and IAS 37 – Disclosures about Uncertainties in the Financial Statements (1 January 2027)\*
- IFRS 18 Presentation and Disclosure in Financial Statements (1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (1 January 2027)\*

\* Not yet endorsed by the UK Endorsement Board.

The Board are currently assessing the impact of these new amendments on the Group's financial reporting for future periods. However, the Board does not expect any of the above to have a material impact on future reporting except for IFRS 18 which is expected to result in changes in the presentation of certain primary financial statements.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries using the acquisition method of accounting.

#### Subsidiaries

Subsidiaries are all entities over which Sunda Energy Plc is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### Impairment of non-financial assets

At each statement of financial position date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### Intangible Assets

##### Oil and gas assets: exploration and evaluation

The Group has continued to apply the 'successful efforts' method of accounting for Exploration and Evaluation ("E&E") costs, having regard to the requirements of IFRS 6 'Exploration for the Evaluation of Mineral Resources'.

The successful efforts method means that only the costs which relate directly to the discovery and development of specific oil and gas reserves are capitalised. Such costs may include costs of licence acquisition, technical services and studies, seismic acquisition; exploration drilling and testing; and where appropriate salary and related costs of directors and employees, but do not include costs incurred prior to having obtained the legal rights to explore the area. Under successful efforts accounting, exploration expenditure which is general in nature is charged directly to the income statement and that which relates to unsuccessful drilling operations, though initially capitalised pending determination, is subsequently written off. Only costs which relate directly to the discovery and development of specific commercial oil and gas reserves will remain capitalised and to be depreciated over the lives of these reserves. The success or failure of each exploration effort will be judged on a well-by-well basis as each potentially hydrocarbon-bearing structure is identified and tested. Exploration and evaluation costs are capitalised within intangible assets. Costs incurred prior to obtaining legal rights to explore are expensed immediately to the income statement.

All lease and licence acquisition costs, geological and geophysical costs and other direct costs of exploration, evaluation and development are capitalised as intangible or property, plant and equipment according to their nature. Intangible assets comprise costs relating to the exploration and evaluation of properties which the Directors consider to be unevaluated until reserves are appraised as commercial, at which time they are transferred to tangible assets as 'Developed oil and gas assets' following an impairment review and depreciated accordingly. Where properties are appraised to have no commercial value, the associated costs are treated as an impairment loss in the period in which the determination is made.

Costs are amortised on a field-by-field unit of production method based on commercial proven and probable reserves, or to the expiry of the licence, whichever is earlier.

The calculation of the 'unit of production' amortisation takes account of the estimated future development costs and is based on the current period and un-escalated price levels. Changes in reserves and cost estimates are recognised prospectively.

E&E costs are not amortised prior to the conclusion of appraisal activities.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

#### Accounting for farm-outs

During the preceding period, the Group completed a farm-out transaction of its main exploration asset which resulted in the receipt of funds in respect of back costs, and also contributions to future costs by the farminee. The back costs received in respect of amounts previously capitalised as an exploration asset were credited to the carrying value of the asset on a no gain, no loss basis. Those back costs attributable to administration costs previously expensed are shown as a gain in the Income Statement. Post farm-out cost recoveries from the farminee are be offset against the relevant costs charged to the exploration asset and administration costs as appropriate.

#### Investments in subsidiaries

Investments are stated at cost less provision for any impairment in value.

#### Financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

#### Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

#### Performance bond and bank guarantee deposits

From time to time, the Group provides performance guarantees in respect of contractual work commitments which are secured by bank guarantees backed by cash deposits. As these funds are not available for use by the Group, they are presented as a separate financial asset. The presentation as current or non-current is based on the Group's assessment of the expected realisation date as at the reporting date.

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.



# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

#### Taxation

##### Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit or loss for the year. Taxable profit or loss differs from profit or loss as reported in the same income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

##### Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### Trade and other payables

Trade payables are not interest bearing and are stated at their nominal value. Trade and other payables are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

##### Convertible loan notes

Convertible loan notes issued by the Group are assessed in their entirety at the date of issue to determine whether they contain both liability and equity components.

On initial recognition, the consideration received is allocated to the individual components of the instrument based on their relative fair values. Where the aggregate fair value of the separately identifiable components exceeds the proceeds received, the difference is recognised immediately in profit or loss as a day-one finance cost.

The liability component, where it gives rise to contractual cash flows that represent solely payments of principal and interest on the principal amount outstanding, is measured initially at fair value. This is determined by discounting the contractual cash flows using the market rate of interest applicable to a comparable instrument without a conversion feature. The liability component is subsequently measured at amortised cost using the effective interest method.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

Where the conversion feature or any associated warrants fail the fixed-for-fixed equity criterion, and the terms of such warrants are not fixed at the date of issue, these are recognised as derivative financial liabilities at fair value through profit or loss.

Warrants that are contingently issuable upon conversion of the loan notes, and whose exercise price or number of shares is not fixed at initial recognition, are measured at fair value on issue and at each reporting date. Upon conversion of the loan notes and issuance of warrants with fixed exercise terms, the derivative liability is derecognised and reclassified to equity and not subsequently remeasured.

#### Fair values

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Group at the statement of financial position date approximated their fair values, due to the relatively short-term nature of these financial instruments.

#### Share-based compensation

The fair value of the employee and suppliers' services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

#### Equity instruments

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

#### Lease accounting

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account.

On the statement of financial position, lease liabilities have been included in current and non-current liabilities.

#### Foreign currencies

##### i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is Pounds Sterling (£). The financial statements are presented in Pounds Sterling (£), which is the Group's presentation currency.

##### ii) Transactions and balances

Foreign currency transactions are translated into the presentational currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

##### iii) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

# Notes to the Financial Statements

## (continued)

### 1. Significant accounting policies (continued)

#### Management of capital

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to raise new equity finance and debt sufficient to meet the next phase of exploration and where relevant development expenditure.

The Board receives cash flow projections on a regular basis as well as information on cash balances. The Board will not commit to material expenditure in respect of its ongoing appraisal work prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes.

Dividends cannot be issued until there are sufficient reserves available.

#### Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements requires management to make estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The resulting accounting estimates will, by definition, differ from the related actual results.

#### Carrying value of intangible exploration and evaluation assets

Valuation of oil and gas properties: judgements regarding timing of regulatory approval, the general economic environment, and the ability to finance future activities has an impact on the impairment analysis of intangible exploration and evaluation assets. All these factors may impact the viability of future commercial production from unproved properties and therefore may be a need to recognise an impairment. The timing of an impairment review and the judgement of when there could be a significant change affecting the carrying value of the intangible exploration and evaluation asset is a critical accounting judgement in itself.

The Board also assesses potential impairment of the Company's net investment in subsidiaries by reference to the same judgements around the circumstances of the Group's oil and gas exploration projects. At year end the Group's exploration assets which the board reviewed for impairment were carried at £7.1m and the Company's net investment in subsidiaries was held at £11.2m. As a result, in accordance with IAS36, an impairment assessment was carried out in relation to the Company's net investment in subsidiaries carrying value by reference to the fair value of the main underlying asset, the Chuditch field. The directors determined that the fair value equates to the estimated economic value shown in the Company's modelling which far exceeds the carrying value and, as a result, there is no requirement for impairment. Further details are given in Notes 10 and 11 respectively.

#### Commercial reserves estimates

Oil and gas reserve estimates: estimation of recoverable reserves include assumptions regarding commodity prices, exchange rates, discount rates, production and transportation costs all of which impact future cashflows. It also requires the interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Changes in estimated reserves can impact developed and undeveloped property carrying values, asset retirement costs and the recognition of income tax assets, due to changes in expected future cash flows.

# Notes to the Financial Statements

## (continued)

### 2. Segmental information

In the opinion of the Directors the Group has one class of business, being the exploration, appraisal and early development of oil and gas assets, and other related activities.

The Group's primary reporting format is determined to be the geographical segment according to the location of the oil and gas asset. There are currently three geographic reporting segments: South East Asia where production, development and exploration activity is being assessed, South America, which has previously been involved in production, development and exploration activity but is now being phased out, and the United Kingdom being the head office.

#### Exploration and appraisal year ended 31 December 2025

|                                                   | United Kingdom<br>£'000 | South America<br>£'000 | South East Asia<br>£'000 | Total<br>£'000 |
|---------------------------------------------------|-------------------------|------------------------|--------------------------|----------------|
| Revenue                                           | –                       | –                      | –                        | –              |
| Cost of sales                                     | –                       | –                      | –                        | –              |
| Gross profit                                      | –                       | –                      | –                        | –              |
| Exploration and evaluation expenditure            | –                       | –                      | (334)                    | (334)          |
| Property, plant and equipment depreciation        | (9)                     | –                      | (24)                     | (33)           |
| Peru closure costs                                | –                       | (13)                   | –                        | (13)           |
| Administration expenses                           | (1,492)                 | (1)                    | (436)                    | (1,929)        |
| Gain on exchange                                  | (39)                    | –                      | (4)                      | (43)           |
| Loss before interest and taxation                 | (1,540)                 | (14)                   | (798)                    | (2,352)        |
| Finance cost                                      | (501)                   | –                      | (4)                      | (505)          |
| Finance income                                    | 19                      | –                      | –                        | 19             |
| Loss on ordinary activities                       | (2,022)                 | (14)                   | (802)                    | (2,838)        |
| Income tax expense                                | –                       | –                      | –                        | –              |
| Loss after taxation                               | (2,022)                 | (14)                   | (802)                    | (2,838)        |
| <b>Assets and liabilities</b>                     |                         |                        |                          |                |
| Segment assets                                    | 91                      | –                      | 8,695                    | 8,786          |
| Cash and cash equivalents                         | 238                     | –                      | 90                       | 328            |
| Total assets                                      | 329                     | –                      | 8,785                    | 9,114          |
| Segment liabilities                               | 276                     | 1                      | 180                      | 457            |
| Current tax liabilities                           | 17                      | –                      | –                        | 17             |
| Total liabilities                                 | 293                     | 1                      | 180                      | 474            |
| <b>Other segment items</b>                        |                         |                        |                          |                |
| Capital expenditure                               | –                       | –                      | 2,405                    | 2,405          |
| Depreciation, amortisation and impairment charges | 9                       | –                      | 24                       | 33             |

# Notes to the Financial Statements

(continued)

## 2. Segmental information (continued)

Exploration and appraisal year ended 31 December 2024

|                                                   | United<br>Kingdom<br>£'000 | South<br>America<br>£'000 | South East<br>Asia<br>£'000 | Total<br>£'000 |
|---------------------------------------------------|----------------------------|---------------------------|-----------------------------|----------------|
| Revenue                                           | –                          | –                         | –                           | –              |
| Cost of sales                                     | –                          | –                         | –                           | –              |
| Gross profit                                      | –                          | –                         | –                           | –              |
| Exploration and evaluation expenditure            | (45)                       | –                         | (125)                       | (170)          |
| Property, plant and equipment depreciation        | (10)                       | –                         | (27)                        | (37)           |
| Peru closure costs                                | –                          | (6)                       | –                           | (6)            |
| Recovery of historic costs on farm-out            | –                          | –                         | 221                         | 221            |
| Administration expenses                           | (1,476)                    | (3)                       | (743)                       | (2,222)        |
| Loss on exchange                                  | 17                         | –                         | (2)                         | 15             |
| Loss before interest and taxation                 | (1,514)                    | (9)                       | (676)                       | (2,199)        |
| Finance costs                                     | (1)                        | –                         | (1)                         | (2)            |
| Finance income                                    | 149                        | 3                         | –                           | 152            |
| Loss on ordinary activities                       | (1,366)                    | (6)                       | (677)                       | (2,049)        |
| Income tax expense                                | –                          | –                         | –                           | –              |
| Loss after taxation                               | (1,366)                    | (6)                       | (677)                       | (2,049)        |
| <b>Assets and liabilities</b>                     |                            |                           |                             |                |
| Segment assets                                    | 77                         | –                         | 6,692                       | 6,769          |
| Cash and cash equivalents                         | 2,379                      | –                         | 792                         | 3,171          |
| Total assets                                      | 2,456                      | –                         | 7,484                       | 9,940          |
| Segment liabilities                               | 84                         | 1                         | 520                         | 605            |
| Current tax liabilities                           | 16                         | –                         | –                           | 16             |
| Total liabilities                                 | 100                        | 1                         | 520                         | 621            |
| <b>Other segment items</b>                        |                            |                           |                             |                |
| Capital expenditure                               | 22                         | –                         | 1,742                       | 1,764          |
| Depreciation, amortisation and impairment charges | 10                         | –                         | 27                          | 37             |



# Notes to the Financial Statements

## (continued)

### 3. Operating loss

|                                                                | 2025<br>£'000 | 2024<br>£'000 |
|----------------------------------------------------------------|---------------|---------------|
| The operating loss is stated after charging:                   |               |               |
| Auditor's remuneration                                         |               |               |
| Audit of group and company financial statements – current year | 40            | 38            |
| Audit of group and company financial statements – prior year   | 11            | 6             |
| Non-audit services: Tax compliance                             | 7             | 5             |
| Non-audit services: Other assurance services                   | 3             | 2             |
| Exploration and appraisal expenditure                          | 334           | 170           |
| Depreciation of property, plant and equipment                  | 33            | 37            |
| Loss/(gain) on exchange                                        | 43            | (15)          |

The analysis of development and administrative expenses in the consolidated income statement by nature of expense is:

|                                                   | 2025<br>£'000 | 2024<br>£'000 |
|---------------------------------------------------|---------------|---------------|
| Employee benefit expense                          | 1,051         | 1,001         |
| Share based payments                              | 324           | 40            |
| Exploration and appraisal expenditure             | 334           | 170           |
| Depreciation, amortisation and impairment charges | 33            | 37            |
| Legal and professional fees                       | 694           | 911           |
| Recovery of historic costs on farm-out            | –             | (221)         |
| Peru closure costs                                | 13            | 6             |
| Loss/(gain) on exchange                           | 43            | (15)          |
| Other expenses/(expenses recovered)               | (140)         | 270           |
|                                                   | 2,352         | 2,199         |

### 4. Staff numbers and cost

The average number of persons employed by the Group (including directors) during the year, analysed by category, were as follows:

|                          | 2025            |                   | 2024            |                   |
|--------------------------|-----------------|-------------------|-----------------|-------------------|
|                          | Group<br>Number | Company<br>Number | Group<br>Number | Company<br>Number |
| Directors                | 5               | 5                 | 5               | 5                 |
| Technical and production | 1               | –                 | 4               | –                 |
| Administration           | 5               | 1                 | 3               | 1                 |
| Total                    | 11              | 6                 | 12              | 6                 |

# Notes to the Financial Statements

## (continued)

### 4. Staff numbers and cost (continued)

The aggregate payroll costs of these persons were as follows:

|                                        | 2025           |                  | 2024           |                  |
|----------------------------------------|----------------|------------------|----------------|------------------|
|                                        | Group<br>£'000 | Company<br>£'000 | Group<br>£'000 | Company<br>£'000 |
| Wages and salaries                     | 283            | 65               | 327            | 61               |
| Directors' fees, salaries and benefits | 710            | 710              | 297            | 297              |
| Share based payments                   | 324            | 324              | 40             | 40               |
| Severance payments                     | –              | –                | 299            | 299              |
| Social security costs                  | 58             | 46               | 84             | 70               |
| Total                                  | 1,375          | 1145             | 1047           | 767              |

### 5. Directors' remuneration

|                                 | 2025<br>£'000 | 2024<br>£'000 |
|---------------------------------|---------------|---------------|
| Directors' remuneration         | 710           | 297           |
| Compensation for loss of office | –             | 299           |
| Share based payments            | 241           | 30            |
| Total                           | 951           | 626           |

Management fees paid to an entity in which a director is a shareholder are disclosed in note 24 on page 71.

No directors benefitted from pension contributions in 2025 or 2024.

Highest paid director emoluments and other benefits are as listed below.

|                                 | 2025<br>£'000 | 2024<br>£'000 |
|---------------------------------|---------------|---------------|
| Remuneration and benefits       | 327           | 59            |
| Compensation for loss of office | –             | 278           |
| Share based payments            | 141           | 30            |
| Total                           | 468           | 367           |

Total remuneration in respect of key management personnel was as follows.

|                      | 2025<br>£'000 | 2024<br>£'000 |
|----------------------|---------------|---------------|
| Short-term benefits  | 710           | 401           |
| Termination benefits | –             | 317           |
| Share-based payments | 241           | 40            |
| Total                | 951           | 758           |

# Notes to the Financial Statements

## (continued)

### 6. Finance income and expenses

|                                                     | 2025<br>£'000 | 2024<br>£'000 |
|-----------------------------------------------------|---------------|---------------|
| Bank and other interest received                    | 19            | 152           |
| Interest on lease liability                         | (4)           | (6)           |
| Finance costs in respect of convertible loan notes* | (501)         | –             |
| <b>Total</b>                                        | <b>(486)</b>  | <b>146</b>    |

\* see note 17 on page 63.

### 7. Income tax expense

|                                                        | 2025<br>£'000 | 2024<br>£'000 |
|--------------------------------------------------------|---------------|---------------|
| The tax charge on the loss on ordinary activities was: |               |               |
| UK Corporation Tax – current                           | –             | –             |
| Foreign taxation                                       | –             | –             |
|                                                        | –             | –             |

The total charge for the year can be reconciled to the accounting result as follows:

|                                                  | 2025<br>£'000 | 2024<br>£'000 |
|--------------------------------------------------|---------------|---------------|
| <b>Loss before tax</b>                           |               |               |
| Continuing operations                            | (2,838)       | (1,712)       |
| Tax at blended group rate of 27.4% (2024: 26.9%) | (776)         | (478)         |
| Effects of:                                      |               |               |
| Expenses not subject to tax                      | 48            | 127           |
| Movement on capital allowances                   | 22            | (91)          |
| Increase in tax losses                           | 706           | 442           |
| <b>Tax expense</b>                               | <b>–</b>      | <b>–</b>      |

At 31 December 2025, the Group had estimated tax losses of £46,415,000 (2024 – £42,844,000) to carry forward against future profits. The potential deferred tax asset on these tax losses at a blended group rate of 29.4% of £13,625,000 (2024: at 29.5%, £12,626,000) has not been recognised due to uncertainty over the timing and existence of future taxable profits. The current tax reconciliation has been prepared using a blended rate of 27.4% (2024: 26.9%) based on prevailing headline taxation rates as applied to the group's taxable entities in the year. The rate assessed for the unrecognised deferred tax asset reflects management's best estimate of the applicable rates which would apply to oil and gas revenues in the group's respective countries of operation.

# Notes to the Financial Statements

## (continued)

### 8. Earnings per share

|                         | 2025     | 2024     |
|-------------------------|----------|----------|
| Loss per ordinary share |          |          |
| – Basic                 | (0.010p) | (0.008p) |
| – Diluted               | (0.010p) | (0.008p) |

Earnings per ordinary share is based on the Group's loss attributable to owners of the parent for the year of £2,838,000 (2024: £2,049,000).

The weighted average number of shares used in the calculation is the weighted average ordinary shares in issue during the year of 27,953,636,223 (2024: 24,440,616,024).

Due to the Group's results, the diluted earnings per share was deemed to be the same as the basic earnings per share for that year.

### 9. Property, plant and equipment

|                                         | Equipment and<br>machinery<br>£'000 | Right of use<br>assets<br>£'000 | Total<br>£'000 |
|-----------------------------------------|-------------------------------------|---------------------------------|----------------|
| <b>Group</b>                            |                                     |                                 |                |
| <b>Cost</b>                             |                                     |                                 |                |
| At 1 January 2024                       | 19                                  | 104                             | 123            |
| Foreign exchange translation adjustment | –                                   | 1                               | 1              |
| Additions                               | 9                                   | 17                              | 26             |
| Disposals                               | (3)                                 | –                               | (3)            |
| At 1 January 2025                       | 25                                  | 122                             | 147            |
| Foreign exchange translation adjustment | (2)                                 | (4)                             | (6)            |
| Additions                               | –                                   | 62                              | 62             |
| <b>At 31 December 2025</b>              | <b>23</b>                           | <b>180</b>                      | <b>203</b>     |
| <b>Depreciation</b>                     |                                     |                                 |                |
| At 1 January 2024                       | 11                                  | 71                              | 82             |
| Foreign exchange translation adjustment | –                                   | 1                               | 1              |
| Charge for the period                   | 7                                   | 30                              | 37             |
| Disposals                               | (1)                                 | –                               | (1)            |
| At 1 January 2025                       | 17                                  | 102                             | 119            |
| Foreign exchange translation adjustment | (1)                                 | (4)                             | (5)            |
| Charge for the period                   | 4                                   | 29                              | 33             |
| <b>At 31 December 2025</b>              | <b>20</b>                           | <b>127</b>                      | <b>147</b>     |
| <b>Net book value</b>                   |                                     |                                 |                |
| <b>At 31 December 2025</b>              | <b>3</b>                            | <b>53</b>                       | <b>56</b>      |
| At 31 December 2024                     | 8                                   | 20                              | 28             |

Included in the above line items are Right of Use assets of £53,000 (2024: £20,000) in respect of a motor vehicle and an office lease.

# Notes to the Financial Statements

(continued)

## 9. Property, plant and equipment (continued)

|                                          | Equipment and<br>machinery<br>£'000 | Right of use<br>assets<br>£'000 | Total<br>£'000 |
|------------------------------------------|-------------------------------------|---------------------------------|----------------|
| <b>Company</b>                           |                                     |                                 |                |
| <b>Cost</b>                              |                                     |                                 |                |
| At 1 January 2024                        | 1                                   | 45                              | 46             |
| Additions                                | 5                                   | 17                              | 22             |
| Disposals                                | (3)                                 | –                               | (3)            |
| <b>At 1 January and 31 December 2025</b> | <b>3</b>                            | <b>62</b>                       | <b>65</b>      |
| <b>Depreciation</b>                      |                                     |                                 |                |
| At 1 January 2024                        | –                                   | 37                              | 37             |
| Charge for the period                    | 1                                   | 9                               | 10             |
| Disposals                                | (1)                                 | –                               | (1)            |
| At 1 January 2025                        | –                                   | 46                              | 46             |
| Charge for the period                    | 2                                   | 8                               | 10             |
| <b>At 31 December 2025</b>               | <b>2</b>                            | <b>54</b>                       | <b>56</b>      |
| <b>Net book value</b>                    |                                     |                                 |                |
| <b>At 31 December 2025</b>               | <b>1</b>                            | <b>8</b>                        | <b>9</b>       |
| At 31 December 2024                      | 3                                   | 16                              | 19             |

Included in the above line items are Right of Use assets of £8,000 (2024: £16,000) in respect of a motor vehicle.

# Notes to the Financial Statements

(continued)

## 10. Intangible fixed assets

| Group                                    | Exploration<br>and evaluation<br>assets<br>£'000 | Total<br>£'000 |
|------------------------------------------|--------------------------------------------------|----------------|
| <b>Cost</b>                              |                                                  |                |
| At 1 January 2024                        | 3,968                                            | 3,968          |
| Foreign exchange translation adjustment  | 38                                               | 38             |
| Additions                                | 1,738                                            | 1,738          |
| Disposals                                | (685)                                            | (685)          |
| At 1 January 2025                        | 5,059                                            | 5,059          |
| Foreign exchange translation adjustment  | (253)                                            | (253)          |
| Additions                                | 2,343                                            | 2,343          |
| <b>At 31 December 2025</b>               | <b>7,149</b>                                     | <b>7,149</b>   |
| <b>Impairment</b>                        |                                                  |                |
| At 1 January 2024                        | 187                                              | 187            |
| Disposals                                | (187)                                            | (187)          |
| <b>At 1 January and 31 December 2025</b> | <b>–</b>                                         | <b>–</b>       |
| <b>Net book value</b>                    |                                                  |                |
| <b>At 31 December 2025</b>               | <b>7,149</b>                                     | <b>7,149</b>   |
| At 31 December 2024                      | 5,059                                            | 5,059          |



# Notes to the Financial Statements

## (continued)

### 10. Intangible fixed assets (continued)

| Company                                  | Exploration<br>and evaluation<br>assets<br>£'000 | Total<br>£'000 |
|------------------------------------------|--------------------------------------------------|----------------|
| <b>Cost</b>                              |                                                  |                |
| At 1 January 2024                        | 187                                              | 187            |
| Disposals                                | (187)                                            | (187)          |
| At 1 January 2025                        | –                                                | –              |
| Expenditure                              | 61                                               | 61             |
| <b>At 31 December 2025</b>               | <b>61</b>                                        | <b>53</b>      |
| <b>Impairment</b>                        |                                                  |                |
| At 1 January 2024                        | 187                                              | 187            |
| Disposals                                | (187)                                            | (187)          |
| <b>At 1 January and 31 December 2025</b> | <b>–</b>                                         | <b>–</b>       |
| <b>Net book value</b>                    |                                                  |                |
| <b>At 31 December 2025</b>               | <b>61</b>                                        | <b>61</b>      |
| At 31 December 2024                      | –                                                | –              |

Exploration and evaluation assets represent amounts capitalised in progressing the Group's interest in licences for the exploration of oil and gas in the UK, Timor-Leste and the Philippines. On 8 February 2024, the Company's wholly-owned subsidiary, SundaGas Banda Unipessoal, Lda., farmed out 20% of its interest in the Chuditch PSC. The interests in the Philippines are held directly by the parent company.

The Directors have performed an assessment of impairment as at the balance sheet date in respect of exploration and evaluation assets, taking account of the facts and circumstances which existed at that date. Impairment reviews were performed at the Operating Segment level.

The Directors' impairment judgement of the Chuditch exploration asset took account of a range of factors including the good standing of the PSC, the Board's expectation of the Group's ability to fulfil the obligations of Year 3 of the PSC, the expectations of access to funding to drill an appraisal well and the Board's analysis of the potential gas reserves. The assessment of potential reserves involved review of CPR work performed by external consultants as well as the Group's internal analysis. The Board also considered the wider economics of a potential export of gas and the potential value of cash flows attributable to the Group's interest in the asset.

In the case of the Philippines, evaluation work on licences SC80 and SC81 are at an early stage and expenditure to date is of relatively low value.

The Board concluded that no impairment indicators existed as the reporting date (2024: nil).

# Notes to the Financial Statements

## (continued)

### 11. Investments

| Company                       | Loans to<br>group<br>undertakings<br>£'000 | Equity<br>investment<br>in group<br>undertakings<br>£'000 | Total<br>£'000 |
|-------------------------------|--------------------------------------------|-----------------------------------------------------------|----------------|
| <b>Cost</b>                   |                                            |                                                           |                |
| At 1 January 2024             | 4,665                                      | 7,548                                                     | 12,213         |
| Exchange rate adjustment      | 116                                        | –                                                         | 116            |
| Additions                     | –                                          | 7                                                         | 7              |
| Net loan movements            | 2,905                                      | –                                                         | 2,905          |
| At 1 January 2025             | 7,686                                      | 7,555                                                     | 15,241         |
| Exchange rate adjustment      | (561)                                      | –                                                         | (561)          |
| Additions                     | –                                          | 593                                                       | 593            |
| Net loan movements            | 2,903                                      | –                                                         | 2,903          |
| Disposals                     | (593)                                      | –                                                         | (593)          |
| <b>At 31 December 2025</b>    | <b>9,435</b>                               | <b>8,148</b>                                              | <b>17,583</b>  |
| <b>Impairment</b>             |                                            |                                                           |                |
| At 1 January 2024             | 904                                        | 5,444                                                     | 6,348          |
| Charge/(release) for the year | 15                                         | –                                                         | 15             |
| At 1 January 2025             | 919                                        | 5,444                                                     | 6,363          |
| Charge/(release) for the year | (615)                                      | 600                                                       | (15)           |
| <b>At 31 December 2025</b>    | <b>304</b>                                 | <b>6,044</b>                                              | <b>6,348</b>   |
| <b>Carrying value</b>         |                                            |                                                           |                |
| <b>At 31 December 2025</b>    | <b>9,131</b>                               | <b>2,104</b>                                              | <b>11,235</b>  |
| At 31 December 2024           | 6,767                                      | 2,111                                                     | 8,878          |

The company makes loans to its subsidiary operations as part of its longer-term strategy of undertaking exploration activities. Whilst the loans are made on informal terms, the Board considers that such loans form part of the company's net investment in its subsidiaries and therefore are presented within investments and treated as non-current. No interest is charged on intercompany loans.

The Company carried out an impairment assessment on the investment of £11,235,000 in SundaGas (Timor-Leste Sahul) Pte. Ltd. In accordance with IAS36. The directors determined that there was no requirement for impairment. See also page 50.

The company has made a 100% provision on the investment in Gold Oil Peru S.A.C. of £6,348,000 (2024: £6,363,000).

# Notes to the Financial Statements

## (continued)

### 11. Investments continued

The Company's subsidiary undertakings at the year end were as follows:

| Subsidiary/controlled entity                                                                                                                              | Place of incorporation and operation | Proportion of ownership interest % | Proportion of voting power held % | Nature of business                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------|-----------------------------------|------------------------------------------|
| Sunda Energy Ventures Pte. Ltd. *<br>8 Chang Charn Road<br>#02-01<br>Link (Thim) Building<br>Singapore 159637                                             | Singapore                            | 100                                | 100                               | Exploration and appraisal of oil and gas |
| SundaGas (Timor-Leste Sahul) Pte. Ltd.<br>8 Chang Charn Road<br>#02-01<br>Link (Thim) Building<br>Singapore 159637                                        | Singapore                            | 100                                | 100                               | Exploration and appraisal of oil and gas |
| SundaGas Banda Unipessoal, Lda**<br>Timor Plaza Pisso 3. #337<br>Av. President Nicolau Lobato<br>20 de Setembro, Bebonuk,<br>Dom Aleixo Dili, Timor-Leste | Timor-Leste                          | 100                                | 100                               | Exploration and appraisal of oil and gas |
| Gold Oil Peru S.A.C<br>Jr. General Julian Arias Araguez<br>250 Miraflores, Lima-18, Peru                                                                  | Peru                                 | 100                                | 100                               | Exploration and appraisal of oil and gas |

All shareholdings are in ordinary, voting shares.

\* Incorporated on 20 September 2024

\*\* A direct subsidiary of SundaGas (Timor-Leste Sahul) Pte. Ltd.

### 12. Trade and other receivables

|                                         | 2025           |                  | 2024           |                  |
|-----------------------------------------|----------------|------------------|----------------|------------------|
|                                         | Group<br>£'000 | Company<br>£'000 | Group<br>£'000 | Company<br>£'000 |
| Amounts owed by subsidiary undertakings | –              | 15               | –              | –                |
| Other receivables                       | 22             | 23               | 20             | 20               |
| Prepayments                             | 73             | 59               | 66             | 38               |
|                                         | 95             | 97               | 86             | 58               |

# Notes to the Financial Statements

## (continued)

### 13. Performance bond guarantee deposit

|                                    | 2025           |                  | 2024           |                  |
|------------------------------------|----------------|------------------|----------------|------------------|
|                                    | Group<br>£'000 | Company<br>£'000 | Group<br>£'000 | Company<br>£'000 |
| Bank guarantee bond at 31 December | 1,486          | –                | 1,596          | –                |

The Company's wholly-owned subsidiary, SundaGas Banda Unipessoal, Lda ("SundaGas"), had provided a performance guarantee to Autoridade Nacional do Petróleo ("ANP") in respect of the offshore Timor-Leste TL-SO-19-16 Production Sharing Contract ("PSC"). This performance guarantee is secured by a bank guarantee given by Banco Nacional de Comércio de Timor-Leste ("BNCTL"), which required SundaGas to place a bond with BNCTL of US\$2,000,000.

The Group is cognisant of BNCTL not having a credit rating by the main credit rating agencies. However, it is recognised that BNCTL is owned, controlled and financed by the Government of the Democratic Republic of Timor-Leste and has recently benefitted from substantial additional capitalisation by the State. As a result, and given the Group's close ties with the Government, it is considered that the exposure to credit risk is immaterial.

### 14. Cash and cash equivalents

|                       | 2025           |                  | 2024           |                  |
|-----------------------|----------------|------------------|----------------|------------------|
|                       | Group<br>£'000 | Company<br>£'000 | Group<br>£'000 | Company<br>£'000 |
| Bank current accounts | 107            | 17               | 939            | 148              |
| Bank deposit accounts | 221            | 220              | 2,232          | 2,231            |
|                       | 328            | 237              | 3,171          | 2,379            |

Bank deposit accounts comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less and earn interest at respective short-term deposit rates. The carrying amount of these assets approximates to their fair value.

### 15. Trade and other payables

|                                         | 2025           |                  | 2024           |                  |
|-----------------------------------------|----------------|------------------|----------------|------------------|
|                                         | Group<br>£'000 | Company<br>£'000 | Group<br>£'000 | Company<br>£'000 |
| <b>Current liabilities</b>              |                |                  |                |                  |
| Trade payables                          | 124            | 124              | 274            | 17               |
| Other payables                          | –              | –                | 32             | –                |
| Amounts owed to subsidiary undertakings | –              | –                | –              | 8                |
| Accruals                                | 280            | 144              | 278            | 49               |
| Lease liabilities due within 12 months  | 29             | 8                | 13             | 9                |
| Taxation                                | 17             | 17               | 16             | 16               |
|                                         | 450            | 293              | 613            | 99               |
| <b>Non-current liabilities</b>          |                |                  |                |                  |
| Lease liabilities due after 12 months   | 24             | –                | 8              | 8                |
|                                         | 24             | –                | 8              | 8                |

# Notes to the Financial Statements

## (continued)

### 16. Share capital

|                                                                                    | 2025<br>£'000 | 2024<br>£'000 |
|------------------------------------------------------------------------------------|---------------|---------------|
| <b>Allotted, called up and fully paid</b>                                          |               |               |
| Equity: 31,476,378,281 (2024: 25,510,783,788) new ordinary shares of £0.00025 each | 7,869         | 6,378         |
|                                                                                    | 7,869         | 6,378         |

The Company issued new ordinary shares of £0.00025 each during the year as follows.

- 3,125,594,493 new ordinary shares at £0.0003995 per share on 16 May 2025 pursuant to a conversion of convertible loan stock (see note 17 below).
- 1,880,000,000 new ordinary shares at £0.00025 each on 16 October 2025 for cash.
- 960,000,000 new ordinary shares at £0.00025 each on 10 November 2025 for cash.

Ordinary shares entitle the holder to full rights as to voting, dividends and any distribution upon winding up. See also note 23 on page 71 regarding capital restructuring after the year end.

### 17. Convertible Loan Notes

On 12 May 2025, the Company issued convertible loan notes ("the Loan Notes") for an aggregate value of US\$1,500,000 (£1,135,000). The Loan Notes carry a finance charge of 10% of the aggregate value of the issued Loan Notes and can be converted into Ordinary Shares of 0.025p each at the option of the holder at any time prior to 22 April 2026. In the event of conversion, the Company will also grant the holders warrants amounting to the equivalent of 75% of the value of the Loan Notes to be converted, at a 30% premium to the conversion price.

On 16 May 2025, holders of the whole of the above-mentioned Loan Notes exercised their right to convert all of the outstanding balance of their Loan Notes into Ordinary Shares of 0.025p each in the Company. The conversion price was calculated at 0.03995p per share resulting in the issue of 3,125,594,493 new Ordinary Shares. In addition, the Company granted in aggregate 1,803,227,592 warrants to the holders of the Loan Notes, with each warrant entitling the holders to subscribe to one Ordinary Share at an exercise price of 0.051935p for a period of three years from grant.

As the warrants were an integral feature of the convertible loan note instruments, the directors concluded that their fair value should be included in the day-one allocation of the proceeds between the loan and equity components. Given that the warrants were converted within days of the loan being advanced, they were valued at grant date using a Black-Scholes valuation model, based on the assumptions set out below. The warrants were classified as equity instruments and therefore recognised in a separate equity reserve and not subsequently remeasured. The transaction resulted in the recognition of an aggregate finance cost of £501,000. Although the warrants have a contractual term of three years, management has assumed an expected option life of two years. This assumption reflects the warrant holder's historical pattern of early conversion to cash and the anticipated timing of exercise, taking into account the Group's planned operational activities.

|                                       |               |
|---------------------------------------|---------------|
| Number of options or warrants granted | 1,803,227,592 |
| Share price at grant date             | 0.0465p       |
| Exercise price at grant date          | 0.051935p     |
| Option life                           | 2 years       |
| Risk free rate                        | 3.80%         |
| Expected volatility                   | 89.15%        |
| Expected dividend yield               | 0%            |
| Fair value of option                  | 0.0215p       |

# Notes to the Financial Statements

(continued)

## 18. Options and warrants

Details of options and warrants issued, exercised and lapsed during the year together with options and warrants outstanding at 31 December 2025 (pre-share consolidation) are as follows:

| Issue date       | Final exercise date | Exercise price | 1 January 2025 Number | New Issue Number | Lapsed or cancelled Number | 31 December 2025 Number |
|------------------|---------------------|----------------|-----------------------|------------------|----------------------------|-------------------------|
| <b>Options</b>   |                     |                |                       |                  |                            |                         |
| 26 May 2020      | 26 May 2030         | £0.00100       | 62,500,000            | –                | –                          | 62,500,000              |
| 22 July 2021     | 22 July 2031        | £0.00070       | 390,000,000           | –                | (390,000,000)              | –                       |
| 22 July 2021     | 31 December 2025    | £0.00070       | 150,000,000           | –                | (150,000,000)              | –                       |
| 17 December 2021 | 17 December 2031    | £0.00060       | 470,000,000           | –                | (470,000,000)              | –                       |
| 14 July 2022     | 14 July 2025        | £0.00070       | 175,000,000           | –                | (175,000,000)              | –                       |
| 20 November 2024 | 20 November 2034    | £0.000725      | 975,000,000           | –                | –                          | 975,000,000             |
| 9 December 2024  | 21 July 2031        | £0.00060       | 50,000,000            | –                | –                          | 50,000,000              |
| 9 December 2024  | 19 December 2031    | £0.00070       | 60,000,000            | –                | –                          | 60,000,000              |
| Total options    |                     |                | 2,332,500,000         | –                | – 1,185,000,000            | 1,147,500,000           |
| <b>Warrants</b>  |                     |                |                       |                  |                            |                         |
| 12 May 2025      | 12 May 2028         | £0.00051935    | –                     | 1,803,227,592    | –                          | 1,803,227,592           |
| 22 October 2025  | 22 October 2028     | £0.000375      | –                     | 940,000,000      | –                          | 940,000,000             |
| 10 November 2025 | 10 November 2028    | £0.000375      | –                     | 480,000,000      | –                          | 480,000,000             |
| Total warrants   |                     |                | –                     | 3,223,227,592    | –                          | 3,223,227,592           |

Details of options issued, exercised and lapsed during the year together with options and warrants outstanding at 31 December 2024 (pre-share consolidation) are as follows:

| Issue date       | Final exercise date | Exercise price | 1 January 2024 Number | New Issue Number | Lapsed or cancelled Number | 31 December 2024 Number |
|------------------|---------------------|----------------|-----------------------|------------------|----------------------------|-------------------------|
| 26 May 2020      | 26 May 2030         | £0.00100       | 62,500,000            | –                | –                          | 62,500,000              |
| 22 July 2021     | 22 July 2031        | £0.00070       | 440,000,000           | –                | (50,000,000)               | 390,000,000             |
| 22 July 2021     | 31 December 2025    | £0.00070       | 150,000,000           | –                | –                          | 150,000,000             |
| 17 December 2021 | 17 December 2031    | £0.00060       | 530,000,000           | –                | (60,000,000)               | 470,000,000             |
| 14 July 2022     | 14 July 2025        | £0.00070       | 175,000,000           | –                | –                          | 175,000,000             |
| 20 November 2024 | 20 November 2034    | £0.000725      | –                     | 975,000,000      | –                          | 975,000,000             |
| 9 December 2024  | 21 July 2031        | £0.00060       | –                     | 50,000,000       | –                          | 50,000,000              |
| 9 December 2024  | 19 December 2031    | £0.00070       | –                     | 60,000,000       | –                          | 60,000,000              |
|                  |                     |                | 1,357,500,000         | 1,085,000,000    | (110,000,000)              | 2,332,500,000           |

# Notes to the Financial Statements

## (continued)

### 18. Options and warrants (continued)

The number of share options and warrants which were exercisable at year end was 3,720,727,592 (2024: 1,182,500,000). The weighted average remaining life of share options and warrants at the year-end was 4 years (2024: 7 years). The weighted average exercise price (in pence) applying to share options and warrants during the year was as follows:

|                     | 2025   | 2024    |
|---------------------|--------|---------|
| Opening             | 0.07p  | 0.07p   |
| Exercised           | –      | –       |
| Lapsed or cancelled | 0.066p | 0.065p  |
| Issued              | 0.046p | 0.0725p |
| Closing             | 0.053p | 0.07p   |

### 19. Share based payments

The fair values of the options and warrants granted have been calculated using Black-Scholes model assuming the inputs shown below:

| Grant date                            | 20 November<br>2024 | 17 December<br>2021 | 22 July<br>2021 | 22 July<br>2021 | 26 May<br>2020 |
|---------------------------------------|---------------------|---------------------|-----------------|-----------------|----------------|
| Number of options or warrants granted | 975,000,000         | 530,000,000         | 150,000,000     | 440,000,000     | 290,000,000    |
| Share price at grant date             | 0.0725p             | 0.06p               | 0.07p           | 0.07p           | 0.05p          |
| Exercise price at grant date          | 0.0725p             | 0.06p               | 0.07p           | 0.07p           | 0.1p           |
| Option life                           | 10 years            | 10 years            | 3 years         | 10 years        | 10 years       |
| Risk free rate                        | 4.47%               | 0.86%               | 0.86%           | 0.86%           | 0.86%          |
| Expected volatility                   | 66%                 | 80%                 | 80%             | 80%             | 80%            |
| Expected dividend yield               | 0%                  | 0%                  | 0%              | 0%              | 0%             |
| Fair value of option                  | 0.058p              | 0.025p              | 0.02p           | 0.03p           | 0.02p          |

The warrants and options will not normally be exercisable during a closed period and furthermore can only be exercisable if the vesting conditions are satisfied. Options, which have vested immediately before either the death of a participant or his ceasing to be an eligible employee by reason of injury, disability, redundancy or dismissal (otherwise than for good cause), shall remain exercisable (to the extent vested) for 12 months after such cessation, and all non-vested options shall lapse.

On 14 July 2022, the company awarded 175,000,000 share options to Dr A Butler, a director of the Company. The share options were exercisable at 0.07p, expire three years from grant date and would only vest upon the Company making an announcement that the first appraisal well on the Chuditch PSC has spudded, or in certain limited circumstances such as a takeover event. As this event did not take place, the options have lapsed.

Options granted on 20 November 2024 vest over a period of 1 to 3 years. The share-based payment charge arising is amortised over the vesting period.



# Notes to the Financial Statements

## (continued)

### 19. Share based payments (continued)

Volatility was determined by reference to the company's historical share price volatility over a suitable period.

In respect of 3,223,227,592 warrants issued during the year, 1,803,227,592 warrants were issued to the holders of convertible loan notes upon conversion of their loan notes in May 2025. The remaining 1,420,000,000 warrants were issued to shareholders participating in share placings. Warrants were granted to investors on the basis of one warrant for every two shares subscribed. The warrants are exercisable at a price of 0.0375p for a period of three years. The Directors consider that the warrants meet the definition of equity and so have not separately allocated the proceeds received between shares and warrants. Details of the assumptions applied in valuing warrants issued on conversion of convertible loans in the year are given in Note 17 on page 63.

### 20. Financial instruments

The Group's activities expose them to a variety of financial risks: credit risk, cash flow interest rate risk, foreign currency risk, liquidity risk, price risk and capital risk. The Group's and Company's activities also expose them to non-financial risks: market risk. The Group's overall risk management programme focuses on unpredictability and seeks to minimise the potential adverse effects on the Group's financial performance. The Board, on a regular basis, reviews key risks and, where appropriate, actions are taken to mitigate the key risks identified.

#### Financial instruments – Risk Management

The Group is exposed through its operations to the following risks:

- Credit risk
- Cash flow interest rate risk
- Foreign Exchange Risk
- Liquidity risk
- Price risk
- Capital risk
- Market risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's and the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

#### Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises are as follows:

- Loans and receivables
- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Performance bond guarantee deposit

# Notes to the Financial Statements

## (continued)

### 20. Financial instruments (continued)

#### General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular updates from the Executive Directors through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's and the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

#### Credit risk

The Group's and the Company's principal financial assets are bank balances and cash, the bank guarantee bond, and other receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies, electronic money organisations, or are sovereign-owned and backed banks (see also note 13). The amounts presented in the statements of financial position are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experiences, is evidence of a reduction in the recoverability of the cash flows.

As at 31 December 2025 and 2024 there were no trade receivables and no expected credit losses were raised against any financial assets held at amortised cost.

#### Cash flow interest rate risk

The Group and the Company are exposed to cash flow interest rate risk from its deposits of cash and cash equivalents with banks and e-issuers.

The cash balances maintained by the Group and the Company are proactively managed in order to ensure that the maximum level of interest is received for the available funds but without affecting the working capital flexibility the Group requires.

The Group is not at present exposed to cash flow interest rate risk on borrowings as neither has significant debt. No subsidiary company of the Group is permitted to enter into any borrowing facility or lease agreement without the prior consent of the Company.

#### Interest rates on financial assets

The Group's and the Company's financial assets consist of cash and cash equivalents, performance bond deposits, trade and other receivables. The interest rate profile at period end of these assets was as follows:

| 31 December 2025       | Financial assets<br>on which<br>interest earned<br>£'000 | Financial assets<br>on which<br>interest not earned<br>£'000 | Total<br>£'000 |
|------------------------|----------------------------------------------------------|--------------------------------------------------------------|----------------|
| <b>Group</b>           |                                                          |                                                              |                |
| UK sterling            | 221                                                      | 38                                                           | 259            |
| US dollar (USD)        | –                                                        | 1,568                                                        | 1,568          |
| Singapore Dollar (SGD) | –                                                        | 10                                                           | 10             |
|                        | 221                                                      | 1,616                                                        | 1,837          |

# Notes to the Financial Statements

## (continued)

### 20. Financial instruments (continued)

| 31 December 2024       | Financial assets<br>on which<br>interest earned<br>£'000 | Financial assets<br>on which<br>interest not earned<br>£'000 | Total<br>£'000 |
|------------------------|----------------------------------------------------------|--------------------------------------------------------------|----------------|
| <b>Group</b>           |                                                          |                                                              |                |
| UK sterling            | 1,907                                                    | 67                                                           | 1,974          |
| US dollar (USD)        | 325                                                      | 2,405                                                        | 2,730          |
| Singapore Dollar (SGD) | –                                                        | 93                                                           | 93             |
|                        | 2,232                                                    | 2,565                                                        | 4,797          |

The Group earned interest on its interest-bearing financial assets at rates between 2.0% and 4.7% (2024 2.5% and 5.5%) during the period.

A change in interest rates on the statement of financial position date would increase/(decrease) the equity and the anticipated annual income or loss by the theoretical amounts presented below. The analysis is made on the assumption that the rest of the variables remain constant. The analysis with respect to 31 December 2024 was prepared under the same assumptions.

| Group                                         | Change of 1.0% in the interest rate as of |                     |                     |                     |
|-----------------------------------------------|-------------------------------------------|---------------------|---------------------|---------------------|
|                                               | 31 December 2024                          |                     | 31 December 2023    |                     |
|                                               | Increase<br>of 1.0%                       | Decrease<br>of 1.0% | Increase<br>of 1.0% | Decrease<br>of 1.0% |
| Instruments bearing variable interest (£'000) | 2                                         | (2)                 | 38                  | (38)                |

It is considered that there have been no significant changes in cash flow interest rate risk at the reporting date compared to the previous period end and that therefore this risk has had no material impact on earnings or shareholders' equity.

#### Foreign exchange risk

Foreign exchange risk arises because the Group has operations located in various parts of the world whose functional currency is not the same as the functional currency in which other Group companies are operating. Although its geographical spread reduces the Group's operation risk, the net assets arising from such overseas operations are exposed to currency risk resulting in gains and losses on retranslation into Sterling. Only in exceptional circumstances will the Group consider hedging its net investments in overseas operations, as generally it does not consider that the reduction in foreign currency exposure warrants the cash flow risk created from such hedging techniques. It is the Group's policy to ensure that individual Group entities enter into local transactions in their functional currency wherever possible and that only surplus funds over and above working capital requirements should be transferred to the parent company treasury. The Group considers this policy minimises any unnecessary foreign exchange exposure.

In order to monitor the continuing effectiveness of this policy the Board, through its approval of both corporate and capital expenditure budgets and review of the currency profile of cash balances and management accounts, considers the effectiveness of the policy on an ongoing basis.

# Notes to the Financial Statements

## (continued)

### 20. Financial instruments (continued)

The following table discloses the major exchange rates of those currencies utilised by the Group:

| Group                                   | USD    | SGD     |
|-----------------------------------------|--------|---------|
| Average for year ended 31 December 2025 | 1.3154 | 1.7219  |
| At 31 December 2025                     | 1.3455 | 1.7294  |
| Average for year ended 31 December 2024 | 1.2779 | 1.7070  |
| At 31 December 2024                     | 1.2535 | 1.70787 |

A change in exchange rates on the statement of financial position date would increase/(decrease) the equity and net asset position by the theoretical amounts presented below. The analysis is made on the assumption that the rest of the variables remain constant. The analysis with respect to 31 December 2024 was prepared under the same assumptions.

|                            | Change of 10.0% in the GBP/USD rate as of |                   |                   |                   |
|----------------------------|-------------------------------------------|-------------------|-------------------|-------------------|
|                            | 31 December 2025                          |                   | 31 December 2024  |                   |
|                            | Increase of 10.0%                         | Decrease of 10.0% | Increase of 10.0% | Decrease of 10.0% |
| Net assets (£'000) – Group | (440)                                     | 537               | (511)             | 624               |

It is considered that there have been no significant changes in exchange rate risk at the reporting date compared to the previous period end and that therefore this risk has had no material impact on earnings or shareholders' equity.

#### Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain readily available cash balances (or agreed facilities) to meet expected requirements for a period of at least 60 days. The Group currently has no long-term borrowings.

All of the Group's financial liabilities are due within one year other than undiscounted lease liabilities due after one year of £24,000 (2024: £8,000).

#### Price risk

Potential oil and gas sales revenue is subject to energy market price risk.

Given that the Group does not have production, it is not considered appropriate for the Group to enter into any hedging activities or trade in any financial instruments, such as derivatives. This strategy will continue to be subject to regular review.

It is considered that price risk of the Group and the Company at the reporting date has not increased compared to the previous period end.

# Notes to the Financial Statements

## (continued)

### 20. Financial instruments (continued)

#### Volatility of oil and gas prices

A material part of the Group's future revenue will be derived from the sale of oil and gas that it expects to produce. A future substantial or extended decline in prices for oil and gas and refined products could adversely affect the Group's future revenues, cash flows, profitability and ability to finance its planned capital expenditure.

Oil and gas prices are dependent on a number of factors impacting world supply and demand. Due to these factors, prices may be subject to significant fluctuations from year to year. However, these prices had no effect on the Group's results for 2025, since it had no production, but may do in future in light of recent market volatility

#### Capital risk

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

### 21. Capital commitments

As of 31 December 2025, there were no capital commitments (2024: none).

### 22. Contingent Liabilities

The Group has provided performance guarantees to ANP in respect of the TL-SO-19-16 PSC, in the form of a bank guaranteed performance bond of US\$2,000,000 (£1,486,000) given by SundaGas, plus a further guarantee provided by the Company of US\$3,200,000 (£2,378,000). In the event of non-performance under the PSC, there is a potential liability to the Group of up to US\$5,200,000 (£3,865,000) and to the Company only of US\$3,200,000 (£2,378,000). The Company believes that there was no indication of a breach of the terms of the PSC at the reporting date. See also note 13 on page 62.

In respect of the Company's performance guarantee of up to \$3.2m, the Board considers that the guarantee is not a financial guarantee contract or insurance contract and so is accounted for as a contingent liability which would only crystallise in the event of non-performance under the PSC. As the Board considered there was no non-performance of the PSC as at period end, no liability has been assessed under the guarantee.

The Board considers that there are no potential decommissioning costs in respect of abandoned fields relating to any current or historic exploration activity.

### 23. Events after the reporting period

On 10 February 2026, the Company announced that it had entered into an unsecured loan agreement (the "AB Loan") with Dr Andy Butler, CEO of the Company for up to £1.5 million with an initial draw down of £400,000 being used to fund the transaction costs associated with a proposed acquisition and to provide additional working capital for Sunda's business activities. A further £750,000 was drawn down on 26 March 2026. The final tranche of £350,000 was drawn down on 8 April 2026. £750,000 of the outstanding loan was converted into equity on 29 April 2026 as part of the Subscription to fund the acquisition of Matahio NZ.

On 10 March 2026, the Company announced that its wholly owned subsidiary SundaGas Banda Unipessoal, Lda., operator of the TL-SO-19-16 Production Sharing Contract offshore Democratic Republic of Timor-Leste, had been awarded an Environmental Licence for the drilling of the Chuditch-2 appraisal well.

On 8 April 2026, the Company announced that its wholly owned subsidiary SundaGas Banda Unipessoal, Lda. had entered into a letter of intent ("LOI") with Finder TIMOR-LESTE B.V. ("Finder"), to work together to secure a drilling rig for the two companies' drilling campaigns offshore Democratic Republic of Timor-Leste.

# Notes to the Financial Statements

## (continued)

### 23. Events after the reporting period (continued)

On 8 April 2026, the Company announced that it had signed a Share Sale and Purchase Agreement (the "Acquisition Agreement") with Matahio Ventures Pte. Limited (the "Seller") for the conditional acquisition of Matahio Energy NZ Limited ("Matahio NZ") which, through two subsidiary companies, owns and operates 100% of a group of production and exploration permits located within the onshore area of the Taranaki Basin on the west coast of New Zealand's North Island. In addition, the Company conditionally raised subject to the General Meeting on 29 April 2026 £6.7 million to fund the Acquisition as set out below.

- Firm Subscription by Alumni Capital raising £900,000 at 0.02975 pence per Firm Subscription Share.
- Convertible Loan Note Subscription by Alumni Capital, which will raise gross proceeds of up to £4,250,000, assuming all the tranches are drawn down by the Company.
- Conditional Subscriptions totalling £800,000 at the Issue Price comprising: (i) the conversion of £750,000 of the AB Loan; and (ii) conditional subscriptions by three other directors, Gerry Aherne (Non-Executive Chair), Keith Bush (Non-Executive Director) and John Chessher (Non-Executive Director), totalling £50,000.
- WRAP Retail Offer to existing shareholders of the Company raising up to £750,000 (of which £404,780 was eventually raised).

On 29 April all resolutions were passed at the General meeting approving and putting into effect the acquisition of Matahio NZ, the Fundraising and the Share Consolidation.

As a result of the all the resolutions with respect to share consolidation being passed at the Company's General Meeting on 29 April 2026, every 100 Existing Ordinary Shares was consolidated into one Consolidated Share. Before any further issue of shares, the post consolidated issued share capital was 345,018,634 ordinary shares of 0.1p each. Post the General Meeting, the Company issued 26,890,755 Conditional Subscription Shares and 13,606,029 Retail Offer Shares at 2.975p per ordinary share of 0.1p each resulting in the issued share capital being 385,515,418 ordinary shares of 0.1p each. In addition, 35,374,403 warrants were granted with respect to the Firm Subscription, Conditional Subscription Shares and Retail Offer Shares at a subscription price 0.044625p.

On 15 May 2026, Alumni Capital gave notice to convert £250,000 of the outstanding balance of its Convertible Loan Notes plus a £25,000 finance charge into new ordinary shares of 0.1p each. As a result, the Company issued 15,426,039 new ordinary shares to Alumni Capital, in addition to which, 8,899,676 warrants were granted at a subscription price of 2.3175p.

### 24. Related party transactions

#### Group and company

SundaGas (Timor-Leste Sahul) Pty. Ltd ("TLS"), a wholly-owned subsidiary paid fees amounting to US\$100,000 (2024: US\$411,000) to SundaGas Pte. Ltd ("SGPL"), a company in which Dr. Andrew Butler, a director, held a significant interest. At the end of the period, there was no balance payable to SGPL (2024: nil).

The Company paid fees amounting to £65,000 (2024: £42,149) to Javelin Capital Partners LLP, an entity in which Mr Gerry Aherne, a director, held a significant interest. These fees are included in directors' remuneration in note 5. At the end of the period, there was no balance payable to the related party (2024: £5,417).

The directors' aggregate remuneration and any associated benefits in respect of qualifying services are disclosed in note 5.

### 25. Control

The directors consider that there is no overall controlling party.

# Glossary of Technical Terms

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bcf</b>                                    | Billion standard cubic feet of natural gas.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>boepd</b>                                  | Barrels of oil equivalent per day                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Geological chance of success</b>           | The estimated probability that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Contingent Resources</b>                   | Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>GIIP</b>                                   | Volume of natural gas initially in-place in a reservoir.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>High Estimate</b>                          | Denotes the high estimate qualifying as Prospective Resources. Reflects a volume estimate that there is a 10% probability that the quantities actually recovered will equal or exceed the estimate.                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Licence Operator</b>                       | The Company nominated to carry out operational activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Mean</b>                                   | Reflects an unrisks median or best-case volume estimate of resource derived using probabilistic methodology. This is the mean of the probability distribution for the resource estimates and is often not the same as 2U as the distribution can be skewed by high resource numbers with relatively low probabilities.                                                                                                                                                                                                                                                                                                                                      |
| <b>MMBBL</b>                                  | Million barrels of oil or condensate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>MMBOE, Oil equivalent</b>                  | Million barrels of oil equivalent. Volume derived by dividing the estimate of the volume of natural gas in billion cubic feet by six in order to convert it to an equivalent in million barrels of oil or condensate, and, where relevant, adding this to an estimate of the volume of oil in millions of barrels.                                                                                                                                                                                                                                                                                                                                          |
| <b>Prospective Resources</b>                  | Quantities of petroleum that are estimated to exist originally in naturally occurring reservoirs, as of a given date. Crude oil in-place, natural gas in-place, and natural bitumen in-place are defined in the same manner.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>PSC</b>                                    | Production Sharing Contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>SPE PRMS 2018</b>                          | The Society of Petroleum Engineers' ("SPE") Petroleum Resources Management System ("PRMS") is a system developed for consistent and reliable definition, classification, and estimation of hydrocarbon resources prepared by the Oil and Gas Reserves Committee of SPE and approved by the SPE Board in June 2018 following input from six sponsoring societies: the World Petroleum Council, the American Association of Petroleum Geologists, the Society of Petroleum Evaluation Engineers, the Society of Exploration Geophysicists, the European Association of Geoscientists and Engineers, and the Society of Petrophysicists and Well Log Analysts. |
| <b>SPE PRMS Unrisks Prospective Resources</b> | Denotes the unrisks estimate qualifying as SPE PRMS 2018 Prospective Resources.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Tcf</b>                                    | Trillion standard cubic feet of gas                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |





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