

PXEN AIMX Prospex Energy PLC

Half Year Report · RNS 4417W · 28 September 2026

Prospex swings to £131,941 half-year profit on revaluation gain as producing assets strengthen

Share price	5.63p
Market cap	£24.4m
52-week range	2.21p - 7.2p
Shares in issue	433.8m
12-month change	+49.4%

Ticker Data API, as at 29 Oct 2026, 14:04

SHARE PRICE, 12 MONTHS



SUMMARY

Prospex Energy's interim results today showed a profit of £131,941 for the six months to 30 June 2026, against a loss of £180,101 a year earlier. The profit rests on a £628,789 unrealised revaluation gain; the operating loss widened to £904,777 and the parent company's operating cash outflow was £888,288. Operationally the picture improved: Selva Malvezzi gas sold at €0.46/scm in the half and a record €0.67/scm in August, El Romeral now covers its own costs, and Italy has accepted the Selva four-well environmental assessment for review. Most of this was already public before today, and the shares trade near the top of their 52-week range. The parent still depends on 12% convertible notes and has only a few months of cash cover at its first-half burn rate.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Profit after tax	£131,941	H1 2026	from a loss of £180,101 in H1 2025
Unrealised gain on revaluation of assets	£628,789	H1 2026	H1 2025: loss of £32,715
Operating loss	£904,777	H1 2026	H1 2025: £630,804
Net cash outflow from operating activities	£888,288	H1 2026	H1 2025: £1,321,831
Parent cash and cash equivalents	£524,643	30 June 2026	Year-end 2025: £38,935
Convertible loan notes, face value	£1,888,258	30 June 2026	12% coupon, convertible at 3p
Net asset value (shareholder equity)	£23,303,440	30 June 2026	from £22,939,921 at 31 December 2025
Selva Malvezzi realised gas price	€0.67/scm	August 2026	H1 2026 average €0.46/scm
Tarba gross invoiced sales	€315,272	July and August 2026	H1 2026: €146,333
Share price	5.73p		52-week range 2.21p - 7.20p

Sources: Half Year Report RNS, 28 Sep 2026; Ticker price data

THE ANNOUNCEMENT

- Profit after tax was £131,941 (H1 2025: loss of £180,101), but it includes a £628,789 unrealised gain on investments; the operating loss was £904,777 (H1 2025: £630,804), and administrative expenses rose to £881,156, of which £195,686 is described as non-recurring.
- Parent cash rose to £524,643 (year-end 2025: £38,935) because £1,373,996 of convertible loan note proceeds exceeded the £888,288 operating cash outflow; investment vehicles held a further £327,368. The notes carry 12% interest, convert at 3p and are repayable in three tranches between December 2027 and June 2028.
- Selva Malvezzi produced 5.28 MMscm net to Prospex's 37% interest at an average €0.46/scm, generating €2.41 million net revenue. After the period end, Italy's environment ministry declared the four-well environmental assessment admissible, starting a 60-day public observation period, and a new 12-month Hera gas sales deal begins on 1 October 2026.
- El Romeral increased generation from about four to 16 hours a day. Tarba had €146,333 of gross sales in the half and €315,272 in July and August at €160.31/MWh, has needed no operating funding from Prospex since July, and a permanent transformer installed in September cuts costs by about €14,000 a month.
- In Poland, internal work puts recoverable potential at the Mniszow oil discovery at about 3.7 million barrels, with an independent review planned for Q4 2026. Net asset value rose to £23,303,440 from £22,939,921.

AGAINST GUIDANCE

The report largely confirms news already released: the Q2 update on 3 August, and the 7 September operational update covering record August revenue, Tarba's self-sufficiency, the Selva environmental assessment admissibility and the Hera contract. Against older guidance the record is mixed: the El Romeral replacement transformer, expected during Q3 2025, was installed in September 2026, and 2024 guidance of two further Viura development wells has become planning for a potential single development well in 2027. Directors say the company expects sufficient funds to meet operating and known capital costs; the 2025 auditor's report drew attention to a material going-concern uncertainty.

BULL CASE

- The producing assets are strengthening: Selva is delivering steady output at record prices, and El Romeral has gone from about four to 16 hours of daily generation and stopped drawing on Prospex cash, with a permanent transformer removing a recurring cost of about €14,000 a month.
- Several catalysts are lined up: the end of the Selva 60-day public observation period, a resource report after seismic interpretation, a planned 2027 four-well campaign, and a Q4 2026 independent review of the roughly 3.7 million barrel Mniszow oil discovery.
- Intra-group balances show Italian cash being recycled round the group, and the in-the-money notes are more likely to convert into shares than to require cash repayment, which eases the 2027-28 repayment burden.

BEAR CASE

- Excluding the £628,789 revaluation gain, the half would have been loss-making, and the £544,597 of finance income was interest charged to subsidiaries, with no interest received in cash. At the first-half burn rate, the parent's £524,643 cash covered only a few months.
- Net asset value rests largely on fair-valued investments and £11,218,165 owed by group companies rather than liquid assets, and the report does not show how much cash the assets can send up to the parent.
- Recent revenue gains lean on high European gas and power prices tied to Middle East supply disruption; a reversal, or delays to Italian permitting, would make a dilutive equity raise more likely, on top of potential conversion of the 3p notes.
- The shares have already risen sharply on news that was public before today, so these results offer little that is new.

WHAT TO WATCH

- Whether the Selva environmental assessment clears its 60-day public observation period without substantive objection, and how the 2027 four-well programme will be funded.
- Evidence that cash is reaching the parent, through repayment of intra-group loans rather than new financing, alongside a lower parent cash burn.
- The Q4 2026 independent review of Mniszow and any partner willing to fund its development.
- Winter gas and electricity realisations, and whether Tarba stays self-sufficient if prices ease.

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