

HORIZON ANNOUNCES HALF-YEAR RESULTS

Period ending 31 December 2025



The results for the half-year ended 31 December 2025 are set out in the attached results announcement, Preliminary Financial Report (Appendix 4D) and Half-Year Financial Report. All references to reserves and contingent resources within the financial report are drawn from the Horizon Oil 30 June 2025 Reserves and Resources Statement contained in the 2025 Annual Report.

Highlights

Capital management

- > The Company announces an interim unfranked (conduit foreign income) dividend of AUD 1.5 cents per share, a return to shareholders of A\$24.4 million to be paid in April 2026.
- > FY25 Final Dividend of AUD 1.5 cents per share was paid during the half year on 24 October 2025.
- > Following payment of the FY26 Interim Dividend, cumulative distributions paid over the six years will be more than A\$274 million (AUD 17 cents per share).

Robust cashflow in a lower oil price environment

- > Production¹ and sales¹ volumes for the half-year increased by 26% and 25%, respectively, compared to the FY25 half-year. Total production and sales of 1,068,821 boe and 1,051,801 boe reflect five months of contribution from the recently acquired Thailand assets, together with continued strong performance from the Group's pre-existing assets.
- > Underlying revenue¹ for the half year was US\$54.2 million, comprising of US\$9.6 million generated from the Group's newly acquired Thailand assets and statutory revenue of US\$44.6 million from the Group's pre-existing assets.
- > Group cash operating costs¹ maintained at approximately US\$20/boe, aided by low-cost production in Thailand.
- > EBITDAX¹ of US\$28.6 million for the half-year was in line with the prior half-year, with cashflow from operating activities 37% higher at US\$25.1 million.
- > Cash reserves at 31 December 2025 were US\$35.6 million, with a modest net debt position of US\$9.8 million after the payment of the FY25 final dividend of US\$16 million in October. A further US\$8.9 million cash receipt was received in January from the December Maari oil lifting, further replenishing cash reserves.
- > A binding Letter of Intent was signed with Northern Territory's Power and Water Corporation to supply uncontracted Mereenie gas through to end 2034, and support drilling two additional infill wells later this year.

Immediate impact in Thailand

- > Thailand production and sales for the five months following completion of the acquisition represented approximately 28% of Horizon Group production for the half-year. With its low operating cost base, Thailand positively contributed to Group cashflow and profitability for the half-year.
- > Field optimisation at Nam Phong delivered an estimated ~7% improvement in production rates with no additional capital expenditure, and FID reached on the Nam Phong Booster Compressor, forecast to lift field production by at least 40% from mid-2026.

Note 1: Includes contribution from the Thailand assets from 1 August 2025 completion date, which are equity accounted in the Half-Year Financial Statements.

CHIEF EXECUTIVE OFFICER'S COMMENTARY

The Company delivered a strong half-year performance, despite a 15% reduction in the realised oil price over the period. The successful completion of the Thailand acquisition, together with the ten-year Maari permit extension, delivered a step-change in production, reserves and portfolio longevity, and positions the Company well for long-term cashflow generation.

Thailand performed strongly, with Sinphuhorm and Nam Phong exceeding nominations, while production from our pre-existing assets remained in line with plan. Group production increased by 26% compared to the FY25 half-year, with the additional revenue contribution from Thailand substantially offsetting the impact of lower realised oil prices during the period. As a result, EBITDAX remained broadly in line with the prior year at US\$28.6 million, while cashflow from operating activities increased by 37% to US\$25.1 million. This strong cashflow supported continued capital discipline, including payment of the final FY25 dividend of AUD 1.5 cents per share, while also funding further investment in our production assets and managing debt levels with the maintenance of a modest net debt position at period end following the predominantly debt-funded Thailand acquisition.

Integration of the Thailand assets has been seamless, supported by strong partner collaboration. Early optimisation at Nam Phong has delivered improved performance, and a final investment decision on the Booster Compressor Project was reached in early January 2026, underpinning expected additional gas production from mid-2026.

Maari delivered an outstanding half year, achieving the highest daily production rates in over five years during August. Average production for the half year was 12% higher than the prior comparative period following successful workover activities. The award of a ten-year permit extension during the period further enhances the field's long-term outlook, particularly amid heightened focus on energy security in New Zealand.

The execution of a binding letter of intent with Power and Water Corporation for the firm supply of uncontracted Mereenie gas through to 2034

was another important achievement. This agreement reinforces Mereenie's role in supporting the Northern Territory's energy needs and helps underpin the planned drilling of two additional infill wells later in the year.

Feasibility studies also progressed during the half-year on a potential further phase of development at the WZ12-8E field within the Block 22/12 joint venture.

Continued strong cashflow generation has placed the Company in a strong financial position, enabling the prioritisation of shareholder returns with the declaration of a consistent FY26 interim dividend of AUD 1.5 cents per share alongside these half-year results.

Richard Beament

Chief Executive Officer



A financial summary and key financial and operational results are set out below:
[all figures are presented in United States dollars, unless otherwise stated]

FINANCIAL SUMMARY

HORIZON 2026 FINANCIAL YEAR RESULT		31 DEC 2025 US\$'000	31 DEC 2024 US\$'000	CHANGE %
Oil and gas sales ¹	<i>boe</i>	1,051,801	839,277	25%
Oil and gas production ¹ [<i>net working interest</i>]	<i>boe</i>	1,068,821	849,147	26%
Statutory sales revenue		44,638	55,858	[20%]
Thailand revenue		9,551	-	100%
Underlying revenue ^{1,2}		54,189	55,858	[3%]
EBITDAX ^{1,3}		28,566	29,442	[3%]
Statutory profit before tax		3,625	11,158	[68%]
Statutory profit after tax		2,360	6,576	[64%]
Cashflow from operating activities¹		25,141	18,337	37%
Cash on hand		35,606	47,309	[25%]
Senior debt facility ⁴		45,372	24,782	83%
Net [debt]/cash		[9,766]	22,527	>[100%]

Note 1: Includes contribution from the Thailand assets from 1 August 2025 which are equity accounted in the Half-Year Financial Statements.

Note 2: Underlying revenue is a financial measure which is not prescribed by Australian Accounting Standards and represents the revenue under Australian Accounting Standards adjusted to include the revenues from the Group's Thailand investment (Sinphuhorm and Nam Phong gas fields). The Group's Thailand investment is equity accounted meaning that the Group's share of net profit after tax from the Thailand assets is included in a single line item within the Group's consolidated statement of comprehensive income. Underlying revenue information has not been audited and has been extracted from the reviewed financial reports for the half-years ended 31 December 2025 and 31 December 2024.

Note 3: EBITDAX is a financial measure which is not prescribed by Australian Accounting Standards and represents the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation and exploration expenditure (including non-cash impairments). The directors consider EBITDAX to be a useful measure of performance as it is widely used by the oil and gas industry. EBITDAX information has not been audited, however it has been extracted from the financial reports for the periods ended 31 December 2024 and 31 December 2025, which have been subject to review by the Group's auditors.

Note 4: Represents principal amounts drawn down.

The Group's CEO, Richard Beament, and CFO, Kyle Keen will host a webcast on 25 February 2026 at 11.00am (Sydney time) to discuss the Group's operations and financial results for the Half-Year.

To register, please copy and paste the link below into your browser <https://ccmediaframe.com/?id=bDkcrujJ>.

The estimates of petroleum reserves and resources contained in this statement are based on, and fairly represent, information and supporting documentation prepared by staff and independent consultants under the supervision of Mr Gavin Douglas, Chief Operating Officer, of Horizon Oil Limited. Mr Douglas is a full-time employee of Horizon Oil Limited and is a member of the American Association of Petroleum Geologists. Mr Douglas' qualifications include a Master of Reservoir Evaluation and Management from Heriot Watt University, UK and more than 25 years of relevant experience. Mr Douglas consents to the use of the petroleum reserves and resources estimates in the form and context in which they appear in this statement.

Authorisation

This ASX announcement is approved and authorised for release by the Board on 25 February 2026.

For more information please contact:

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Richard Beament CEO

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HORIZON

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HORIZON

ABN 51 009 799 455

HALF-YEAR REPORT

INCORPORATING APPENDIX 4D

31 DECEMBER 2025

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Horizon Oil Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

APPENDIX 4D

PRELIMINARY FINAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

This Preliminary Final Report is provided to ASX Limited ('ASX') under ASX Listing Rule 4.3A. This information should be read in conjunction with the half-year report for the period to 31 December 2025.

Current reporting period: Half-year ended 31 December 2025

Previous corresponding period: Half-year ended 31 December 2024

Results for announcement to the market

		PERCENTAGE CHANGE		AMOUNT US\$'000
Revenue from continuing operations	Down	20%	to	44,638
Underlying revenue	Down	3%	to	54,189
Profit from ordinary activities after tax	Down	64%	to	2,360
Profit for the period attributable to members	Down	64%	to	2,360

Underlying revenue is a financial measure which is not prescribed by Australian Accounting Standards and represents the revenue under Australian Accounting Standards adjusted to include the revenues from the Group's Thailand investment (Sinphuhorm and Nam Phong gas fields). The Group's Thailand investment is equity accounted meaning that the Group's share of net profit after tax from the Thailand assets is included in a single line item within the Group's consolidated statement of comprehensive income. Underlying revenue information has not been audited and has been extracted from the reviewed financial reports for the half-years ended 31 December 2025 and 31 December 2024.

Dividends

	AMOUNT PER SECURITY AUD CENTS	FRANKED AMOUNT PER SECURITY
Interim dividend	1.5	Nil

Horizon Oil Limited announced on 25 February 2026 an interim Conduit Foreign Income (CFI) unfranked dividend of AUD 1.5 cents per Ordinary share which will be paid on 17 April 2026. The final FY25 dividend of AUD 1.5 cents per share was paid during the half-year on 24 October 2025.

Net Tangible Assets

	2025 US CENTS	2024 US CENTS
Net tangible asset backing per ordinary share	3.2	4.5

Controlled entities acquired or disposed of

On 1 August 2025, the Group completed the acquisition of a 75% interest in Exxon Mobil Exploration and Production Khorat LLC. At the completion date Exxon Mobil Exploration and Production Khorat LLC was renamed to MH Energy Thailand LLC.

No controlled entities were acquired or disposed of during the previous half-year reporting period ended 31 December 2024.

Reconciliation of statutory revenue to underlying revenue

US\$'000	31 DEC 25	31 DEC 24
Statutory revenue	44,638	55,858
Revenue from Thailand (Sinphuhorm & Nam Phong gas fields)	9,551	-
Underlying Revenue	54,189	55,858

Notes: Reports are based on reviewed consolidated financial statements.

All figures are presented in United States dollars, unless otherwise stated.

HALF-YEAR FINANCIAL REPORT

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as 'The Group') consisting of Horizon Oil Limited and the subsidiaries it controlled at the end of, or during the half-year ended, 31 December 2025.

DIRECTORS

The following persons were directors of Horizon Oil Limited during the whole of the half-year and up to the date of this report (except as noted below):

B Clement
 R Beament
 C Costello
 G Bittar
 N Burgess
 P Goode
 S Birkenleigh [retired on 29 August 2025]

REVIEW OF OPERATIONS

Principal activities

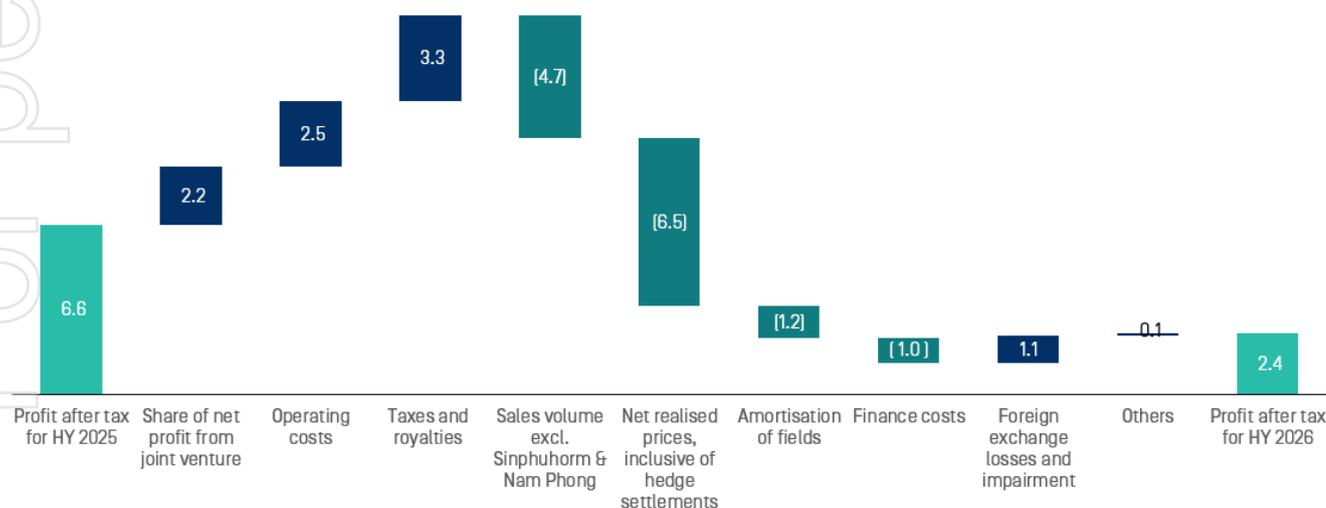
During the course of the half-year ended 31 December 2025, the Group's principal activities continued to be directed towards petroleum production, development and exploration.

A detailed review of the operations of the Group during half-year is set out in the Activities Review on pages 11 to 14 of this report.

GROUP FINANCIAL PERFORMANCE

Profit Drivers

US\$ MILLION



During the half-year, the Group completed the acquisition of Exxon Mobil Exploration and Production Khorat LLC, which was subsequently renamed MH Energy Thailand LLC. The Horizon Group owns a 75% share of MH Energy Thailand LLC, resulting in the ownership of an effective 7.5% interest in the Sinphuhorm producing gas

field and an effective 60% interest in the Nam Phong producing gas field. The effective date of the transaction was 1 January 2025 with revenues earned and costs incurred from the effective date to the completion date, 1 August 2025, adjusted against the initial purchase consideration. Note 5 in this report outlines how this investment has been accounted for. The following discussions include the five month contribution from the Thailand investment.

The Group's net working interest production for the half year was 26% higher than the prior comparative period at 1,068,821 boe (HY2025: 849,147 bbls). The increase in production is primarily attributable to the acquisition of the Sinphuhorm and Nam Phong gas fields in Thailand, increased production at Maari following the successful return to production of the MN1 and MR4 wells following ESP replacement workovers and increased production from Mereenie following the successful WM29 & WM30 development wells. This incremental production more than offset the anticipated natural production decline across the producing fields in Block 22/12.

Sales volumes for the half year was 25% higher than the prior comparative period at 1,051,801 boe (HY2025: 839,277 bbls). The increase in sales volumes is attributable to the acquisition of the Sinphuhorm and Nam Phong gas fields in Thailand which has more than offset the expected natural decline in Block 22/12. Underlying sales revenue of US\$54.2 million (HY2025: US\$55.9 million) was generated during the half-year, comprising of US\$9.6 million generated from the Group's newly Thailand assets and statutory revenue of US\$44.6 million from the Group's pre-existing assets. The increased sales volumes and a higher gas price partially offset a 15% lower net realised oil price during the half-year.

Operating costs for the period were US\$37.4 million, lower than the prior comparative period (HY2025: US\$38.7 million) owing largely to a reduced special oil levy in China which applies on revenues earned at an oil price in excess of US\$65/bbl.

The Group reported a profit after tax of US\$2.4 million for the half-year (HY2025: US\$6.6 million) with the reduction from the prior comparative period substantially due to a US\$3.3 million increase in the non-cash amortisation expenditure during the half-year and lower realised oil prices. Non-cash items impacting on the half-year result included US\$19.0 million (HY2025: US\$15.7 million) in amortisation of production phase assets and depreciation of property, plant and equipment, US\$0.6 million (HY2025: US\$0.6 million) related to the value of non-cash expense in relation to performance rights granted to Horizon employees, and US\$1.4 million (HY2025: US\$1.4 million) financing expense related to the unwind of the discount on the Maari and Mereenie restoration provisions.

EBITDAX from operations was US\$28.6 million (HY2025: US\$29.4 million), and EBIT from operations was US\$8.9 million (HY2025: US\$13.3 million). Cashflows from operating activities of US\$25.1 million (HY2025: US\$18.3 million) enabled the Group to substantially replenish cash following the payment during the period of the final dividend for FY25 of US\$15.9 million.

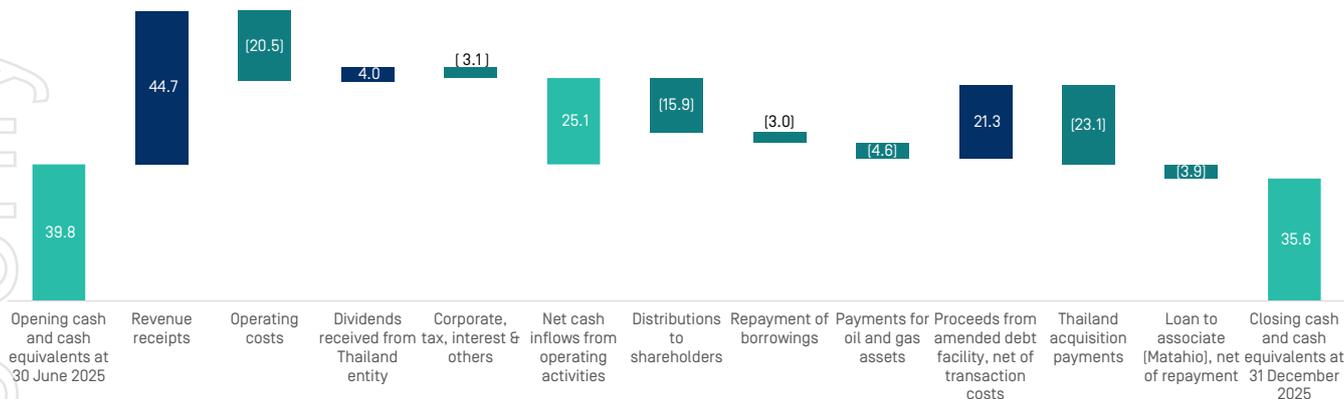
EBITDAX and EBIT are financial measures which are not prescribed by Australian Accounting Standards. EBITDAX represents the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation and exploration expenditure (including non-cash impairment). The directors consider EBITDAX and EBIT to be useful measures of performance as they are widely used by the oil and gas industry. EBITDAX and EBIT information has been extracted from the financial reports for the periods ended 31 December 2024 and 31 December 2025. A more detailed review of the current year result is set out in the pages following.

Segment information is included in Note 3 of the financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS

Cashflow Drivers

US\$ MILLION



Net cash generated from operating activities for the half-year was US\$25.1 million (HY2025: US\$18.3 million) resulting in the substantial replenishment of the Company's cash reserves following the FY25 final dividend of US\$15.9 million paid to shareholders in October 2025. The Thailand acquisition, being predominantly debt funded, contributed positively to cash reserves over the reporting period. The continued strong cashflow generation and replenishment of cash reserves allows for the continued distributions to shareholders with the declaration of an FY26 interim CFI unfranked dividend of AUD 1.5 cents per ordinary share to be paid in April 2026.

CORPORATE

Group liquidity

At 31 December 2025, the Group's net debt position was US\$9.8 million (30 June 2025: net cash US\$13.7 million) following the completion of the predominantly debt funded Thailand acquisition on 1 August 2025 and the US\$15.9 million distribution paid to shareholders in October 2025. Net cash comprises cash and cash equivalent assets held of US\$35.6 million (30 June 2025: US\$39.8 million) offset by the nominal value of borrowings drawn down of US\$45.4 million (30 June 2025: US\$26.1 million) on the Group's debt facility. Further details of the Group's debt facility are set out in Note 12.

Consolidated statement of financial position

At 31 December 2025, total assets were US\$187.7 million (30 June 2025: US\$180.2 million) and total liabilities were US\$135.6 million (30 June 2025: US\$114.9 million), resulting in net assets of US\$52.0 million (30 June 2025: US\$65.3 million). Net assets were impacted by the non-cash amortisation charge for the half-year. The Group had a working capital surplus of US\$25.9 million (30 June 2025: US\$39.0 million).

Oil Price Hedging

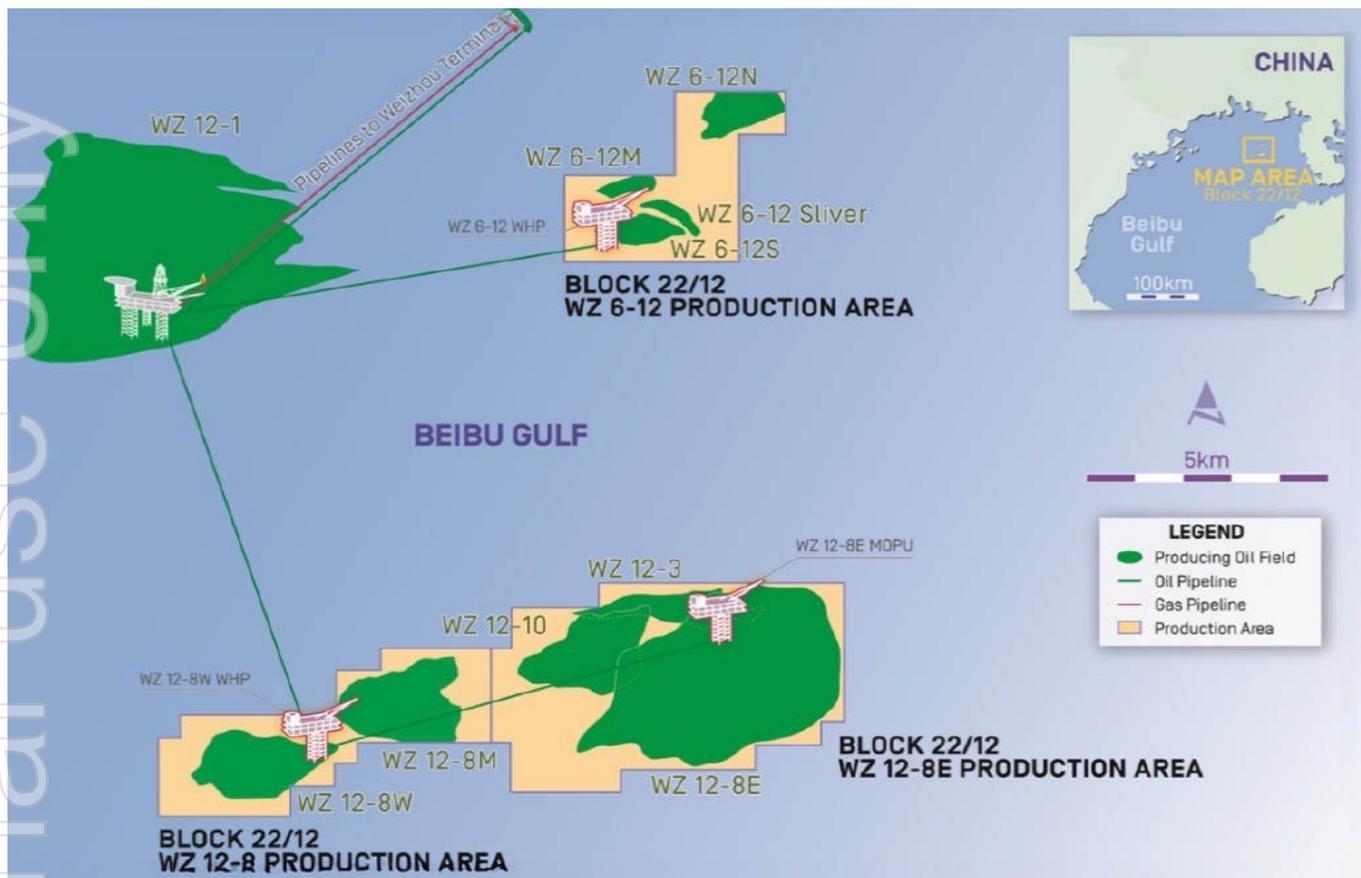
The Company maintains leverage to the oil price with a modest hedge position. At the date of this report, hedges were in place for 295,000 bbls of oil covering the period from 1 January to August 2026, with a weighted average fixed price of ~US\$65.6/bbl.

Dividends

The Board has declared an interim dividend of AUD 1.5 cents per Ordinary share totalling approximately AUD24.4 million. This dividend has been declared as a Conduit Foreign Income (CFI) unfranked dividend and will be paid on 17 April 2026.

ACTIVITIES REVIEW

Block 22/12, Beibu Gulf [Horizon: 26.95%]



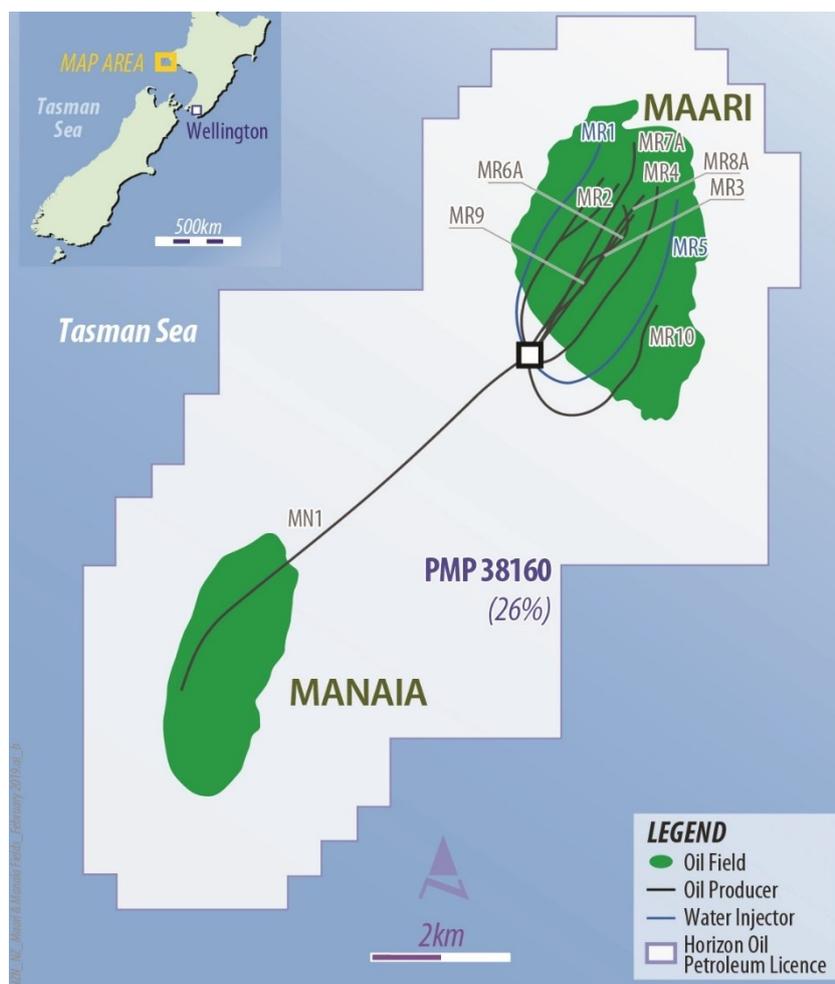
During the half-year, average gross oil production from Block 22/12 remained steady with an average 6,052 bopd (1,631 bopd net to Horizon), reflecting continued robust field performance despite a total of ~14 days of production deferment due to three typhoon-related shutdowns during July, September and early October.

Net sales for the half-year were 275,727 bbls, generating revenue of US\$17.4 million. Cash operating costs for the half-year were US\$27.14/bbl (produced), excluding the costs of workovers.

Multiple well workovers and optimisation activities were undertaken across the China assets during the period, notably on the WZ6-12 and WZ12-8E fields, to restore and enhance oil production. In late 2025, a six-well workover programme commenced on the WZ12-8W field, installing larger electric submersible pumps and adding new perforations, while a new water-treatment train is being commissioned with the objective to increase liquid handling capacity to support higher production rates.

The Block 22/12 joint venture is also progressing feasibility studies for a potential new development phase in the WZ12-8E area, including evaluation of a possible multi-well program; any further development will be subject to customary joint venture and regulatory approvals.

New Zealand - PMP 38160, Maari and Manaia fields, offshore Taranaki Basin (Horizon: 26%)



Production for the half-year was strong, with an average 5,450 bopd gross (1,417 bopd net to Horizon), a 12% increase on the comparative half-year. This improvement reflects the return to service of previously shut-in wells and subsequent higher field output.

Cash operating costs averaged US\$22.51/bbl produced, excluding workover costs. Net sales were 265,729 bbls, generating revenue of US\$18.5 million. Net crude oil inventory at 31 December 2025 was 16,742 bbls.

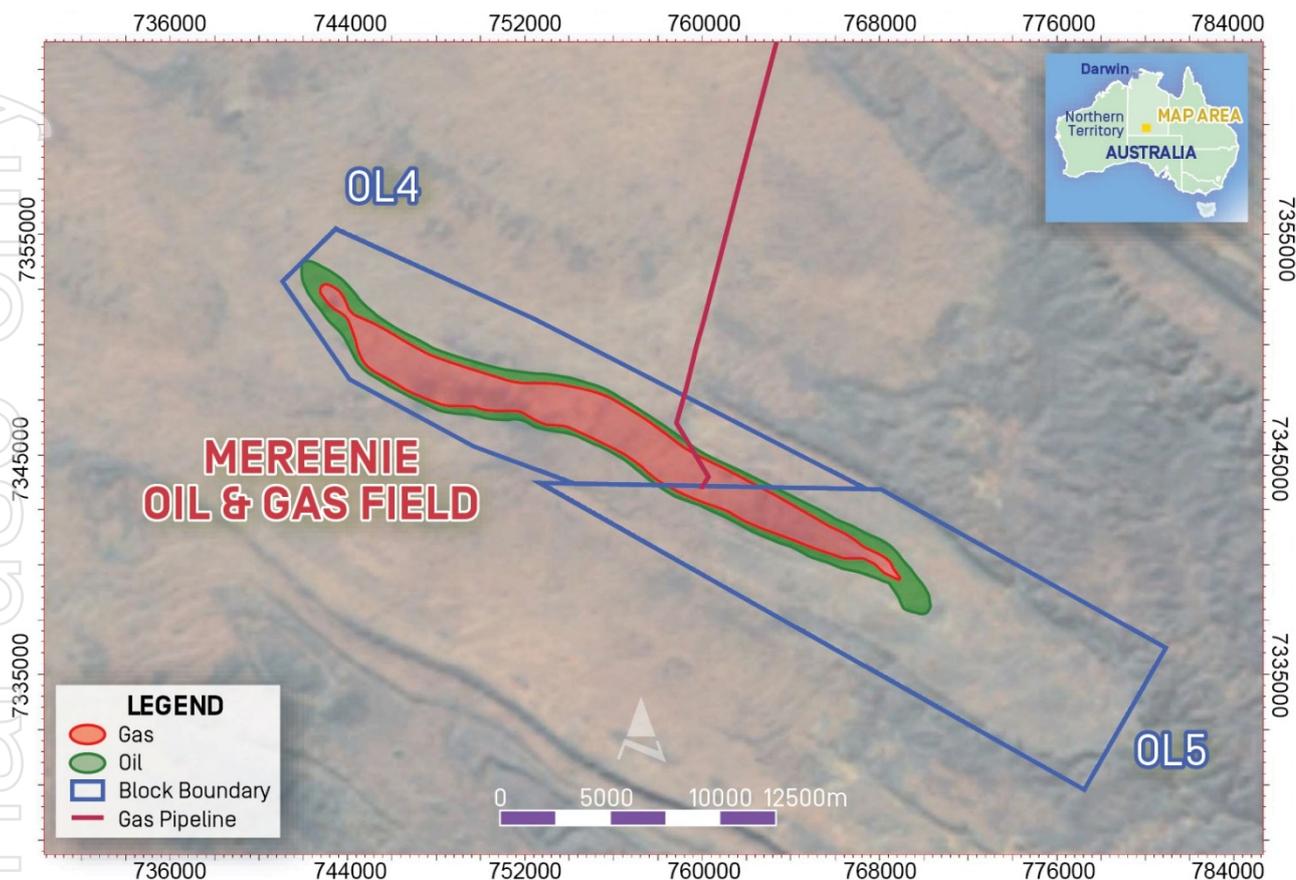
Two previously shut-in production wells (MN1 and MR4) were returned to service in July 2025 with new electric submersible pumps, adding around 1,700 bopd gross and lifting monthly output above 5,600 bopd gross in August, the highest rate recorded since early 2020.

In mid-January, after the reporting period ended, the MR7A electric submersible pump (ESP) failed, and the well was taken offline. A workover was started in early February, and the joint venture expects the well to return to service in the second half of the month. A ten-day inspection and maintenance shutdown is scheduled for CY Q1 2026.

The Maari Joint Venture secured regulatory approval for a ten-year extension of the PMP 38160 permit, extending the production licence to 1 December 2037, a milestone that underpins the field's long-term future amid heightened focus on energy security in New Zealand.

The New Zealand Government has finalised Financial Assurance regulations relating to decommissioning liabilities. Horizon expects these measures to be implemented during the 2026 calendar year and will continue to monitor regulatory developments closely.

OL4 and OL5, Mereenie, NT, Australia [Horizon: 25%]



Gross production for the half-year at Mereenie averaged 25.7 TJ/d for the half-year (6.4 TJ/d net to Horizon), along with around 238 barrels of oil per day (Horizon net ~59 bopd). Gas output was slightly lower in the December quarter due to temporary liquids-handling constraints, but these were resolved by year-end, allowing production to increase back to ~28 TJ/d (gross) in late December. Development wells WM29 and WM30 continued to perform strongly during the half-year.

Despite marginally lower gas output and a strengthening US dollar during the half year, revenues remained strong for the half-year at US\$8.5 million, supported by improved gas pricing under the newer GSAs with an average realised gas price for the half-year of A\$9.96/GJ. Operationally, liquids export rates increased during December, alleviating the liquids-related capacity constraints observed earlier in the period. Cash operating costs averaged US\$16.51/boe produced.

In October, the JVs executed a firm Gas Supply Agreement with McArthur River Mining (MRM) for 4.9 PJ of gas supply across 2026–27, providing fixed price, take or pay certainty and additional upside through as available sales. In December, the JVs signed a binding Letter of Intent (LOI) with the Northern Territory's Power and Water Corporation (PWC) to underpin long term firm offtake of uncontracted Mereenie gas through to the end of 2034, and to support immediate commencement of early works for an accelerated two well development program (WM31 and WM32).

Early works now underway include long lead procurement, civil preparation and rig selection activities, with drilling targeted to commence in late 2026. Under the LOI, the JVs may be reimbursed by PWC for early works expenditure should binding GSAs not be executed. Documentation of binding GSAs is in progress.

Sinphuhorm & Nam Phong, Thailand (Horizon: Sinphuhorm 7.5%; Nam Phong 60%)

During the half-year, the newly acquired Thailand assets contributed significantly to the Group's production and cashflow. In the December quarter, the Sinphuhorm field delivered average gross gas sales of 102 TJ per day (Horizon net 7.6 TJ/d) and condensate sales of 183 barrels of oil per day (Horizon net 13.7 bopd), while the Nam Phong field averaged 5.9 TJ/d (Horizon net 3.7 TJ/d) of gas.

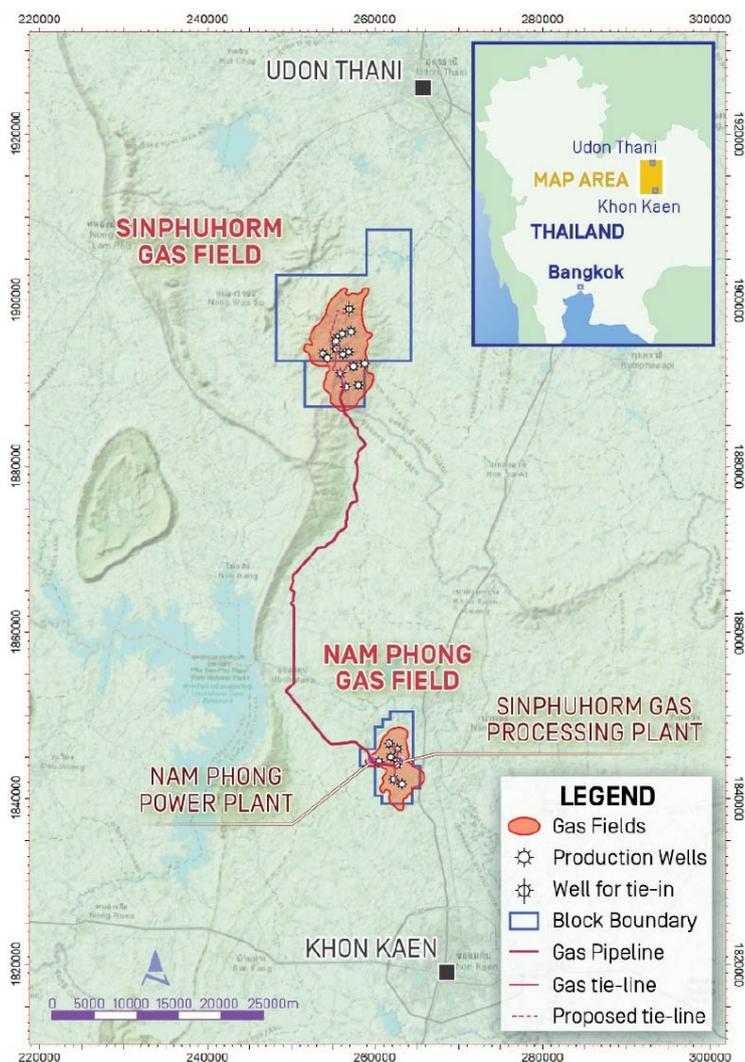
The blended cash operating costs for both Sinphuhorm and Nam Phong fields averaged US\$7.23/boe produced.

Both fields performed above their nominated offtake rates for most of the period, and combined net sales increased from ~1,705 boepd (Horizon's share) in the initial two months post-acquisition to ~2,054 boepd in the October–December quarter. For the five months of operations since completion, Horizon's share of production revenue from these assets was approximately US\$9.6 million, underscoring the immediate positive impact of the Thailand acquisition on the Group's cashflows.

The Nam Phong Joint Venture implemented a refined reservoir management plan that delivered around a 7% uplift in gas production with no additional capital expenditure. A Final Investment Decision was reached in December on the Nam Phong Booster Compressor Project, which will install a refurbished gas-engine-driven compressor by mid-2026; this low-cost project is forecast to increase Nam Phong field output by at least 40% once operational.

At Sinphuhorm, engineering and construction contracts were awarded for a new wellpad and flowline to connect the previously drilled PH 14 well, with that project on track for first gas by the end of 2026.

As outlined at acquisition, a potential US\$1.5 million contingent payment linked to 2025 production did not become payable and has now lapsed, while up to US\$6 million in remaining contingent consideration is still subject to future events and field performance.



OUTLOOK

In the near term, continued strong operating cashflow generation is forecast, with the Group's overall production base further enhanced and diversified by the inclusion of the Thailand assets during the period. The Group's short-term focus is on:

- Continued optimisation of production performance from all assets;
- Maturing further infill drilling and facilities optimisation opportunities, particularly at Block 22/12, Mereenie and across the Thailand fields; and
- Continued evaluation of organic and inorganic growth opportunities.

ENVIRONMENTAL REGULATION

The Group is subject to significant environmental regulation in respect of exploration, development and production activities in the countries in which it operates – China, New Zealand, Australia and Thailand. Horizon Oil Limited is committed to undertaking all of its exploration, development and production activities in an environmentally responsible manner.

The Directors believe the Group has adequate systems in place for managing its relevant environmental performance and is not aware of any breach of those environmental regulations as they apply to the Group.

REPORTING CURRENCY

The Company's and the Group's functional and reporting currency is United States dollars. All references in this half-year financial report to "\$" or "dollars" are references to United States dollars, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 16.

ROUNDING

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2017/191 and accordingly amounts in the directors' report and interim financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

This report is made in accordance with a resolution of the directors.



B Clement
Chairman



R Beament
Chief Executive Officer

Sydney
25 February 2026



Auditor's Independence Declaration

As lead auditor of Horizon Oil Limited's financial report for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

A handwritten signature in black ink, appearing to read 'M Upcroft', is written over a faint, vertical watermark that says 'For personal use only'.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
25 February 2026

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HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2025

	NOTE	31 DEC 2025 US\$'000	31 DEC 2024 US\$'000
REVENUE	4	44,638	55,858
Cost of sales		[37,422]	[38,745]
Gross profit		7,216	17,113
Other income		774	858
General and administrative expense		[1,168]	[1,423]
Insurance expense		[1,017]	[995]
Exploration and development expenses written off		[368]	[303]
Finance costs – interest, transaction costs, other		[4,016]	[3,019]
Impairment of intangible asset		[246]	-
Foreign exchanges gain/(loss)		224	[1,073]
Share of net profit after tax from joint venture in Thailand	5	2,226	-
Profit before income tax		3,625	11,158
NZ royalty tax expense		[539]	[488]
Income tax expense		[726]	[4,094]
Profit for the half-year		2,360	6,576
OTHER COMPREHENSIVE INCOME ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS			
Changes in the fair value of cash flow hedges		[32]	[89]
Currency translation reserve		[2]	151
Total comprehensive income for the half-year		2,326	6,638
Profit attributable to:			
Security holders of Horizon		2,360	6,576
Profit for the period		2,360	6,576
Total comprehensive income attributable to:			
Security holders of Horizon		2,326	6,638
Total comprehensive income for the period		2,326	6,638
Earnings per share for profit attributable to ordinary equity holders of Horizon:		US CENTS	US CENTS
Basic earnings per share		0.14	0.40
Diluted earnings per share		0.14	0.40

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTE	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
CURRENT ASSETS			
Cash and cash equivalents	7	35,606	39,782
Receivables		14,529	14,507
Inventories		3,126	3,733
Derivative financial instruments		362	406
Other assets		2,996	2,406
Intangible assets	8	601	585
Total current assets		57,220	61,419
NON-CURRENT ASSETS			
Investments	5,6	22,172	947
Deferred tax assets		23,188	19,472
Plant and equipment	9	393	448
Oil and gas assets	10	83,257	97,869
Other assets		1,459	-
Total non-current assets		130,469	118,736
Total assets		187,689	180,155
CURRENT LIABILITIES			
Payables	11	12,654	14,483
Current tax payable		7,218	3,920
Borrowings	12	11,411	8,236
Derivative financial instruments	6	-	2
Total current liabilities		31,283	26,641
NON-CURRENT LIABILITIES			
Payables	11	2,908	2,894
Deferred tax liability		3,081	3,468
Borrowings	12	32,712	17,419
Provisions	13	65,664	64,435
Total non-current liabilities		104,365	88,216
Total liabilities		135,648	114,857
Net assets		52,041	65,298
EQUITY			
Contributed equity	14	150,705	150,399
Reserves		8,595	8,625
Accumulated losses		(156,328)	(158,640)
Profit reserve		49,069	64,914
Total equity		52,041	65,298

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2025

ATTRIBUTABLE TO MEMBERS OF THE COMPANY

	CONTRIBUTED EQUITY US\$'000	RESERVES US\$'000	ACCUMULATED LOSSES US\$'000	PROFIT RESERVE ¹ US\$'000	TOTAL EQUITY US\$'000
Balance at 1 July 2024	150,095	7,241	[146,859]	72,766	83,243
Profit / (loss) for the half-year	-	-	[8,243]	14,819	6,576
Changes in the fair value of cash flow hedges	-	[89]	-	-	[89]
Movement in foreign currency reserve	-	7	144	-	151
Total comprehensive income for the half-year	-	[82]	[8,099]	14,819	6,638
Transactions with owners in their capacity as equity holders:					
Employee share-based payments expense	-	564	-	-	564
Settlement of performance rights	-	[565]	-	-	[565]
Ordinary shares issued, net of cost	304	-	-	-	304
Dividends	-	-	-	[16,551]	[16,551]
Balance at 31 December 2024	150,399	7,158	[154,958]	71,034	73,633
Balance at 1 July 2025	150,399	8,625	[158,640]	64,914	65,298
Profit / (loss) for the half-year	-	-	2,312	48	2,360
Changes in the fair value of cash flow hedges	-	[32]	-	-	[32]
Movement in foreign currency reserve	-	[2]	-	-	[2]
Total comprehensive income for the half-year	-	[34]	2,312	48	2,326
Transactions with owners in their capacity as equity holders:					
Employee share-based payments expense	-	593	-	-	593
Settlement of exercised options	-	[589]	-	-	[589]
Ordinary shares issued, net of costs	306	-	-	-	306
Dividends	-	-	-	[15,893]	[15,893]
Balance at 31 December 2025	150,705	8,595	[156,328]	49,069	52,041

¹ The profit reserve balance reflects the Parent entity's retained earnings, with the residual Group profit/loss reflected in the accumulated losses reserve.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2025

	HALF-YEAR TO	
	31 DEC 2025 US\$'000	31 DEC 2024 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	44,709	55,958
Payments to suppliers and employees	(20,506)	(29,986)
	24,203	25,972
Dividends received from joint venture in Thailand	4,048	-
Interest received	1,181	858
Interest paid	(2,380)	(1,500)
Income and royalty taxes paid	(1,911)	(6,993)
Net cash inflows from operating activities	25,141	18,337
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Thailand acquisition	(23,072)	-
Transaction costs on acquisition	(73)	-
Loan to associate	(5,000)	-
Repayment of loan by associate	1,092	-
Payments for oil and gas assets	(4,565)	(6,902)
Payments for plant and equipment	(11)	-
Net cash [outflows] from investing activities	(31,629)	(6,902)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from amended debt facility	22,263	-
Transaction costs incurred on borrowings	(1,007)	-
Repayment of borrowings	(3,000)	-
Payments under leasing arrangements	(81)	(135)
Proceeds from new share issue (net of costs)	306	304
Payments for shares acquired by Trust	(306)	(304)
Dividends paid to shareholders	(15,893)	(16,551)
Net cash inflows / [outflows] from financing activities	2,282	(16,686)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,206)	(5,251)
Cash and cash equivalents at the beginning of the half-year	39,782	52,570
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	30	(10)
Cash and cash equivalents at the end of the half-year	35,606	47,309

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Basis of preparation of half-year report

The general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Horizon Oil Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the normal course of business as they become due.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the below principle of consolidation.

Joint ventures

A joint venture is a joint arrangement whereby the participants have contractual arrangements that establish joint control over the economic activities of an incorporated entity. Parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group recognises its interest in joint ventures using the equity method of accounting. Under the equity method, the investment in a joint venture is initially recognised in the Group's statement of financial position at cost and adjusted thereafter to recognise the post-acquisition changes to the Group's share of net assets of the joint venture. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the joint venture.

The Group's share of the joint venture's post-acquisition profits or losses is recognised in the income statement. Dividends receivable from the joint venture reduce the carrying amount of the investment in the consolidated financial statements of the Group.

Note 2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The most significant estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities relate to:

(i) Exploration and evaluation assets

Management makes certain estimates and assumptions as to future events and circumstances. These estimates and assumptions include whether commercially viable resources have been found and whether the capitalised exploration and evaluation expenditure will be recovered through future exploitation or sale.

(ii) Reserve estimates

The estimated quantities of proven and probable hydrocarbons reported by the Group are integral to the calculation of amortisation expense (depletion), assessments of impairment of assets, provision for restoration and the recognition of deferred tax assets due to changes in expected future cash flows. Reserve estimates

require interpretation of complex and judgemental geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoir, and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Reserve estimates are prepared in accordance with guidelines prepared by the Society of Petroleum Engineers.

(iii) Provisions for restoration

The Group estimates the future removal and restoration costs of petroleum production facilities, wells, pipelines and related assets at the time of installation of the assets and reviews these assessments periodically. In most instances the removal of these assets will occur well into the future. The estimate of future removal costs therefore requires management to make judgements around the timing of the required restoration, rehabilitation and decommissioning, as well as the discount rate.

New Zealand, Maari Restoration

During the half-year, the Group revised the discount, foreign exchange and inflation rates used in quantifying the New Zealand restoration provision, resulting in US\$0.1 million increase to the restoration provision and the related oil and gas asset.

Australia, Mereenie Restoration

During the half-year, the Group revised the discount, foreign exchange and inflation rates used in quantifying the Australian restoration provision, resulting in US\$0.3 million decrease to the restoration provision and the related oil and gas asset.

(iv) Impairment of oil and gas assets

The Group assesses whether its oil and gas assets are impaired on a semi-annual basis when an indicator of impairment is present. This requires an estimation of the recoverable amount of the cash generating unit to which each asset belongs. The recoverable amount of an asset is the higher of its fair value less cost to sell and value in use. The fair value less cost to sell is assessed on the basis of the estimated net cash flows that will be received from the asset's continued employment and subsequent disposal. The estimated future cash flows are based on estimates of hydrocarbon reserves, future production profiles, commodity prices, operating costs and future development costs necessary to access the reserves. Current climate change legislation is also factored into the estimated future cashflows and future uncertainty around climate change risks continue to be monitored. In most cases, the present value of future cashflows is most sensitive to estimates of future oil price, reserves, and production rates.

(v) Share-based payments

Share-based payment transactions with directors and employees are measured by reference to the fair value of the share performance rights or options at the date they were granted. The fair value is ascertained using an appropriate pricing model, either Black-Scholes or Monte Carlo simulation, depending on the terms and conditions upon which the share performance rights or options were granted. The Group also applies assumptions around the likelihood of the share performance rights or options vesting which will have an impact on the expense and equity recorded in the financial year.

(vi) Recoverability of deferred tax assets

The recoverability of deferred tax assets is based on the probability that future taxable amounts will be available to utilise those temporary differences and losses. The Group has not recognised deferred tax assets in respect of some tax losses and temporary tax differences as the future utilisation of these losses and temporary tax differences is not considered probable at this point in time. Whilst the recently acquired Mereenie gas field is expected to generate future Australian taxable income for the Australian tax consolidated group, the recognition of these tax losses as deferred tax assets will be reassessed once longer-term income and expenditure information from the acquisition is available to the Company.

Assessing the future utilisation of tax losses and temporary tax differences requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future utilisation of these tax losses and temporary tax differences becomes probable, this could result in significant changes to deferred tax assets recognised, which would in turn impact future financial results.

(b) Critical judgements in applying the Group's accounting policies

No critical judgements which are considered to have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year were made during the preparation of this report.

Note 3 Segment information

(a) Description of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

The operating segments identified are broadly based on the Group's working interest in each individual oil and gas permit, arranged by developmental phase. Discrete pre-tax financial information (including pre-tax operating profit and capital expenditure on exploration and evaluation assets and oil and gas assets) for each oil and gas permit is prepared and provided to the chief operating decision maker on a regular basis. In certain circumstances, individual oil and gas permits are aggregated into a single operating segment where the economic characteristics and long-term planning and operational considerations of the individual oil and gas permits are such that they are considered interdependent. The Group has identified four operating segments:

- China development – the Group is currently involved in developing and producing crude oil from Block 22/12 – WZ6-12, WZ12-8W and WZ12-8E oil field developments, and the exploration and evaluation of hydrocarbons within Block 22/12;
- New Zealand development – the Group is currently involved in developing and producing crude oil from the Maari/Manaia oil fields;
- Australia development – the Group is currently involved in developing and producing oil and gas from the Mereenie OL4 and OL5 oil and gas fields; and
- Thailand exploration and development – the Group is currently involved in developing and producing oil and gas from the Sinphuhorm and Nam Phong oil and gas fields.

[b] Segment information provided to the chief operating decision maker

HALF-YEAR 2026 (31 DECEMBER 2025)	CHINA DEVELOPMENT	NEW ZEALAND DEVELOPMENT	AUSTRALIA DEVELOPMENT	THAILAND EXPLORATION & DEVELOPMENT	UNALLOCATED	TOTAL
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
SEGMENT INFORMATION						
Revenue from external customers	17,700	18,463	8,475	-	-	44,638
Depreciation and amortisation	(5,148)	(9,498)	(2,287)	-	(63)	(16,996)
Profit / (loss) before tax	1,462	[774]	679	2,226	32	3,625
Total segment assets at 31 December 2025	36,744	61,806	51,138	21,225	16,776	187,689
<i>Additions to non-current assets other than financial assets and deferred tax during the financial year ended:</i>						
Production phase expenditure	1,103	366	1,059	-	-	2,528
Plant and equipment	-	-	-	-	11	11
Total segment liabilities at 31 December 2025	20,167	69,954	43,973	-	1,554	135,648

HALF-YEAR 2025 (31 DECEMBER 2024)	CHINA DEVELOPMENT	NEW ZEALAND DEVELOPMENT	AUSTRALIA DEVELOPMENT	UNALLOCATED	TOTAL
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
SEGMENT INFORMATION					
Revenue from external customers	27,788	22,051	6,019	-	55,858
Profit / (loss) before tax	9,752	2,115	[196]	[513]	11,158
Depreciation and amortisation	(6,405)	(7,767)	(1,560)	(88)	(15,820)
Total segment assets at 31 December 2024	45,863	60,821	45,115	29,172	180,971
<i>Additions to non-current assets other than financial assets and deferred tax during the half-year:</i>					
Production phase expenditure	1,642	(182)	174	-	1,634
Total segment liabilities at 31 December 2024	9,990	60,274	35,857	1,217	107,338

[c] Other segment information

[i] Segment revenue

The Group's revenue is derived from the sale of crude oil produced in China, New Zealand, Australia and Thailand and the sale of gas produced in Australia and Thailand. The Group sells to external customers through sales agreements with the respective joint venture operators (CNOOC and OMV) who market and on-sell crude oil to external customers, for which the Group is charged a marketing fee stipulated by the sales agreements. In Australia, the Group sells to external domestic customers through individual sales contracts. In Thailand, the Group sells to the domestic market.

Reportable segment revenues are equal to consolidated revenue.

(ii) Segment profit before tax

The chief operating decision maker assesses the performance of operating segments based on a measure of profit before tax.

Reportable segment profit before tax is equal to consolidated profit before tax.

(iii) Segment assets and liabilities

The amounts provided to the chief operating decision maker with respect to total assets and liabilities are measured in a manner consistent with that of the financial statements.

Reportable segment assets and liabilities are equal to consolidated total assets and liabilities.

Note 4 Revenue

Revenue for the half-year ended 31 December 2025 relates to contracts executed for the sale of crude oil and gas, with all performance obligations being met within the period. There is no variable consideration requiring estimation for the period ended 31 December 2025.

The Group did not have contracts that were executed in a prior period, whereby the performance obligations were partially met at the beginning of the period. There are no existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2025.

The Group's revenue disaggregated by primary geographical markets is reported in Note 3 Segment information.

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	HALF-YEAR TO	
	31 DEC 2025 US\$'000	31 DEC 2024 US\$'000
CRUDE OIL & GAS SALES		
Goods transferred at a point in time	19,406	23,215
Good transferred over a period of time	25,232	32,643
	44,638	55,858

Note 5 Investments

	31 DEC 2025	30 JUNE 2025
	US\$'000	US\$'000
Investment in unlisted shares - Wundowie Carbon Pty Ltd	947	947
Investment in joint venture [a]	21,225	-
Total	22,172	947

[a] During the half-year, the Group completed the acquisition of Exxon Mobil Exploration and Production Khorat LLC, which was subsequently renamed MH Energy Thailand LLC. The Horizon Group owns a 75% share of MH Energy Thailand LLC, resulting in an effective 7.5% interest in the Sinphuhorm producing gas field and an effective 60% interest in the Nam Phong producing gas field.

The effective date of the transaction was 1 January 2025 with revenues earned and costs incurred from the effective date to the completion date, 1 August 2025, adjusted against the initial purchase consideration.

The investment in MH Energy Thailand LLC is considered an investment in a joint venture as the shareholders have contractual arrangement that establish joint control over the economic activities of the incorporated entity. Investments in joint venture's are equity accounted.

Accounting for this investment under the equity method means recording the investment initially at cost, then adjusting the carrying value to reflect the Horizon's share of the MH Energy Thailand's profit after tax and distributions made during the reporting period. Horizon's share of MH Energy Thailand's profit after tax is reported in a single line within the Group's consolidated statement of comprehensive income with the below disclosure included to provide further detail of the financial performance of MH Energy Thailand LLC for the half-year.

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Summarised income statement		
Gross profit	9,274	-
Other expenses	[853]	-
Depreciation and amortisation	[2,780]	-
Profit before tax	5,641	-
Income tax expense	[2,673]	-
Net profit after tax for the period	2,968	-
Group's share of net profit of joint venture [75%]	2,226	-

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Reconciliation to carrying amount		
Cost at completion date	23,046	-
Less: Dividends received in cash	[4,048]	-
Add: Group's share of net profit	2,226	-
Closing balance	21,225	-

Note 6 Fair value measurement of financial instruments

(a) Fair value measurements

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Derivative financial instruments
- Financial assets at fair value through other comprehensive income (FVOCI)

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities measured and recognised at fair value at 31 December 2025 and 30 June 2025:

AT 31 DECEMBER 2025	LEVEL 1 US\$'000	LEVEL 2 US\$'000	LEVEL 3 US\$'000	TOTAL US\$'000
ASSETS				
Derivatives used for hedging	-	362	-	362
<i>Financial assets at fair value through OCI:</i>				
Equity investment in unlisted shares	-	947	-	947
Total assets	-	1,309	-	1,309

AT 30 JUNE 2025	LEVEL 1 US\$'000	LEVEL 2 US\$'000	LEVEL 3 US\$'000	TOTAL US\$'000
ASSETS				
Derivatives used for hedging	-	406	-	406
<i>Financial assets at fair value through OCI:</i>				
Equity investment in unlisted shares	-	947	-	947
Total assets	-	1,353	-	1,353
LIABILITIES				
Derivatives used for hedging	-	2	-	2
Total liabilities	-	2	-	2

There were no transfers between levels 1, 2 or 3 for recurring fair value measurements during the period.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2025.

(b) Valuation techniques used to derive fair values

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) was based on quoted market prices at the end of each reporting period. The quoted market price used for financial liabilities held by the Group was the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of equity investment as at 31 December 2025 is based on observable market data and included in level 2.

Specific valuation technique used to value financial instruments include:

- Discounted cash flow projections based on reliable estimates of future cash flows.

All resulting fair value estimates for unlisted equities are included in level 3.

Note 7 Cash and cash equivalents

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Cash at bank and on hand ¹	35,509	22,127
Deposits ²	97	17,655
Closing balance	35,606	39,782

¹ Cash at bank is held in interest bearing operating accounts.

² Includes on-call and short-term cash deposits with maturities less than 3-months.

Note 8 Intangible assets

CURRENT ASSETS	CONSOLIDATED	
	NEW ZEALAND CARBON CREDITS ¹ US\$'000	TOTAL US\$'000
HALF-YEAR ENDED 31 DECEMBER 2025		
Cost – 1 July 2025	585	585
Additions	262	262
Disposals – settlements ²	-	-
Impairment of carbon units ³	[246]	[246]
Closing value	601	601

¹ The Group acquires New Zealand Units ((NZUs) also referred to as carbon credits) to surrender to the New Zealand Government through the Environmental Protection Authority, for its proportionate share of the Maari/Manaia fields direct greenhouse gas emissions for the calendar year. NZUs are tradable instruments with transactions taking place on the New Zealand Emissions Trading Register, which is operated by the Environmental Protection Authority. The NZUs are recorded at cost less accumulated impairment and are not amortised but are tested for impairment at each balance sheet date.

² The Company's obligation for the 2025 calendar year is due be settled in May 2026 whereby a portion of the 25,836 NZUs on hand will be surrendered to the Environmental Protection Authority.

³ The Company assessed the recoverability of the New Zealand carbon units as at 31 December 2025 and recorded an impairment expense as the spot price at the balance sheet date was less than the historical cost of the units.

Note 9 Plant and Equipment

	BUILDING ^(a) US\$'000	OTHER PLANT & EQUIPMENT ^(a) US\$'000	TOTAL US\$'000
<i>As at 1 July 2025</i>			
Cost	1,463	1,775	3,238
Accumulated depreciation	[1,032]	[1,758]	[2,790]
Net book amount	431	17	448
<i>Half-year ended 31 December 2025</i>			
Opening net book amount	431	17	448
Additions	-	11	11
Depreciation expense ^(b)	[60]	[6]	[66]
Closing net book amount	371	22	393
<i>As at 31 December 2025</i>			
Cost	1,463	1,786	3,249
Accumulated depreciation	[1,092]	[1,764]	[2,856]
Net book amount	371	22	393

(a) Included in the net book amount of building and other plant and equipment are right-of-use assets as follows:

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Office premises	370	431
Photocopiers	10	1
Closing balance	380	432

(b) Depreciation expense in relation to the right of use assets was US\$58,253.

Note 10 Oil and gas assets

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Opening balance	97,869	119,747
Development and production costs incurred during the period	2,528	10,140
Reassessment of rehabilitation obligation	[207]	949
Amortisation expense	[16,933]	[32,967]
Closing balance	83,257	97,869

Note 11 Payables

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
CURRENT		
Trade creditors	292	893
Share of joint operation creditors and accruals	9,130	10,695
ETS obligation (a)	665	346
Lease liabilities (c)	123	113
Other creditors	2,444	2,436
Total current liabilities	12,654	14,483
NON-CURRENT		
Mereenie acquisition – contingent payment (b)	2,512	2,460
Other creditors	133	116
Lease liabilities (c)	263	318
Total non-current liabilities	2,908	2,894

(a) The ETS liability represents Horizon Oil International Limited's obligation to the New Zealand Government for the companies proportionate share of the Maari/Manaia fields greenhouse gas emissions. Refer to Note 7 for the disclosure of the carbon credits acquired (NZUs) which will be surrendered to the New Zealand Government for settlement of this obligation. The ETS obligation is recorded at the cost of the units acquired to settle the obligation. When the number of units required to settle the obligation exceeds the units on hand, the excess will be accounted for at the cost of obtaining the incremental units required to settle the obligation.

(b) A future payment of A\$4 million is payable to Macquarie as purchase consideration for the acquisition of Mereenie oil and gas fields subject to certain conditions being met.

(c) The Group has leases for the Sydney office and various equipment. The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2025 were as follows:

	MINIMUM LEASE PAYMENTS DUE			
	Within one year US\$'000	One to five years US\$'000	After 5 years US\$'000	Total US\$'000
<i>31 December 2025</i>				
Lease payments	(155)	(283)	-	(438)
Finance charges	32	20	-	52
Net present values	(123)	(263)	-	(386)

Note 12 Borrowings

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
CURRENT		
Bank loans ¹ (b)	11,411	8,236
NON-CURRENT		
Bank loans ¹ (b)	32,712	17,419
Total borrowings	44,123	25,655

¹ Bank loans are shown net of associated transaction costs.

(a) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net cash for each of the periods presented.

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Cash and cash equivalents	35,606	39,782
Borrowings ² – repayable within one year (including overdraft)	(11,910)	(8,351)
Borrowings ² – repayable after one year and in five years (including overdraft)	(33,462)	(17,758)
Lease liabilities	(386)	(431)
Net (debt) / cash	(10,152)	13,242
Cash and liquid investments	35,606	39,782
Gross debt ² – variable interest rates	(45,372)	(26,109)
Lease liabilities	(386)	(431)
Net cash	(10,152)	13,242

² Borrowings and gross debt represent the nominal value of the Debt Facility drawn down.

(b) Reconciliation of borrowings arising from financing activities

	CASHFLOWS			NON-CASH CHANGES		
	Opening 1 July 2025 US\$'000	Drawdown ³ US\$'000	Repayments US\$'000	Foreign exchange impact US\$'000	Amortisation of transaction costs US\$'000	Closing 31 Dec 2025 US\$'000
	Debt facility	25,655	20,469	(3,000)	778	221
Total liabilities from financing activities	25,655	20,469	(3,000)	778	221	44,123

³ Funds drawn down are shown net of associated transaction costs incurred during the period.

(c) Bank loans – Cash Advance Facility

On 4 June 2024, Horizon advised that it has executed a A\$42.5 million senior debt facility agreement with Macquarie Bank. The senior debt facility is structured as a reserves base lending facility, has a term of 5 years with semi-annual repayments and attracts an interest rate of BBSW + 5%. Lender security is limited to first ranking general security over the interest in Mereenie, with a parent company guarantee which is customary for a reserves base lending facility. On 11 June 2024, the Group reached financial close and draw down.

Under the facility, the facility limit is determined by applying a minimum facility life coverage ratio to the net present value of estimated future cash flows from the Mereenie oil and gas field. Estimated future cash flows are dependent on, amongst other things, oil and gas prices, reserve estimates, operating and capital cost estimates. The facility is secured by a floating charge over the shares and assets of the borrower (Horizon Australia Energy Limited which is a wholly owned subsidiary of Horizon Oil Limited). Horizon Oil Limited has guaranteed the performance of Horizon Australia Energy Limited in relation to the loan facility from Macquarie Bank. The Group is subject to covenants which are common for a facility of this nature.

During June 2025, the Company executed an amendment to its senior debt facility agreement with Macquarie Bank to fund the Thailand acquisition of an effective 7.5% working interest in the producing Sinphuhorm conventional gas and condensate field, and a 60% working interest in the producing Nam Phong conventional gas field.

The amended senior debt facility, which is structured as a reserves based lending facility, comprised the following:

- Tranche A - an increase in the Mereenie available debt from approximately A\$40 million to up to A\$50 million. The additional A\$10 million of debt capacity is supported by the recent infill well results and recently signed strategic gas sales agreements (GSA), including the 6-year GSA signed with the NT government. This tranche amortises through to maturity at 30 June 2029 and continues to attract interest payable at BBSW + 5%.
- Tranche B1 - up to an additional US\$15 million of available debt supported by cashflows from Horizon's working interest in Block 22/12, China. This tranche is secured against a new Block 22/12 and Maari security package which includes proposed security over the shares in Horizon Oil (Beibu) Limited and Horizon Oil International Limited. This tranche amortises to maturity at 31 December 2027 and attracts interest payable at SOFR + 5%.
- Tranche B2 - up to an additional US\$10 million of available debt to fund any further development of the secured assets and for general corporate purposes. This tranche is supported by cashflows from the acquired interest in Sinphuhorm and security being provided over Horizon's 75% shareholding in MHET and updated technical diligence on Sinphuhorm prior to drawdown. This tranche amortises to maturity at 31 December 2027 and attracts interest payable at SOFR + 6%.

Financial close and drawdown of Tranche A and B1 was achieved during the half-year, At 31 December 2025 Tranche B2 remained undrawn. At 31 December 2025, total debt drawn under the facility was US\$45.3 million (A\$49.9 million under Tranche A and US\$12 million under Tranche B1).

Note 13 Provisions

	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
Restoration (current)	-	-
Restoration (non-current)	65,664	64,435
Total	65,664	64,435
The reconciliation of the movement in the total of the restoration provisions is as follows:		
Balance at beginning of financial year	64,435	61,459
Unwinding of discount	1,423	2,643
Release of restoration cost	-	[994]
Effect of change in inflation, discount and FX rate	[194]	1,327
Closing balance	65,664	64,435

Note 14 Contributed equity

[a] Share capital

		31 DEC 2025 NUMBER'000	30 JUNE 2025 NUMBER'000	31 DEC 2025 US\$'000	30 JUNE 2025 US\$'000
ORDINARY SHARES					
Fully paid	(b) (i)	1,627,589	1,625,302	150,246	149,940
Partly paid to A\$0.01	(b) (i)	1,500	1,500	459	459
		1,629,089	1,626,802	150,705	150,399

[b] Movements in share capital

(i) Ordinary shares (fully paid)

DATE	DETAILS	NUMBER OF SHARES	US\$'000
30/06/2025	Balance as at 30 June 2025	1,625,301,966	149,940
28/08/2025	Issuance of new shares - settlement of Performance Rights	2,286,537	306
31/12/2025	Balance as at 31 December 2025	1,627,588,503	150,246

(ii) Ordinary shares (partly paid to A\$0.01)

DATE	DETAILS	NUMBER OF SHARES	US\$'000
30/06/2025	Balance as at 30 June 2025	1,500,000	459
31/12/2025	Balance as at 31 December 2025	1,500,000	459

Note 15 Contingent assets and liabilities

[a] Contingent assets

The Group had no contingent assets as at 31 December 2025.

[b] Contingent liabilities

The Group had contingent liabilities as at 31 December 2025 that may become payable in respect of:

Subject to future events, up to US\$6 million in contingent consideration may become payable in relation to the newly acquired Thailand assets.

In accordance with normal oil and gas industry practice, the Group has entered into joint operation agreements with other parties for the purpose of exploring and developing its petroleum interests. If a participant to a joint operation default and fails to contribute its share of joint operation obligations, then the remaining joint operation participants are jointly and severally liable to meet the obligations of the defaulting participant. In this event, the interest in the permit or licence held by the defaulting participant may be redistributed to the remaining participants. In the event of a default, a contingent liability exists in respect of expenditure commitments due to be met by the Group in respect of defaulting joint operation participants.

The Group occasionally receives claims arising from its operations in the normal course of business. In the opinion of directors, all such matters are either covered by insurance or, if not covered, are without merit or are of such a nature the amounts involved would not have a material impact on the results.

No material losses are anticipated in respect of the above contingent liabilities.

Note 16 Exploration, development and production expenditure commitments

The Group has entered into joint operations for the purpose of exploring, developing and producing from certain petroleum interests. To maintain existing interests or rights to earn interests in those joint operations the Group will be expected to make contributions to ongoing exploration and development programs. Since such programs are subject to continual review by operating committees, upon which the Group is represented.

Subject to the above-mentioned limitations, the directors have prepared the following disclosure of exploration and development expenditure commitments not recognised in the financial statements. These are payable as follows, based on current status and knowledge of estimated quantum and timing of such commitments by segment.

31 DECEMBER 2025	NEW ZEALAND DEVELOPMENT US\$'000	CHINA DEVELOPMENT US\$'000	AUSTRALIA DEVELOPMENT US\$'000	THAILAND DEVELOPMENT US\$'000	TOTAL US\$'000
Within one year	2,246	1,528	1,147	3,695	8,616
Total	2,246	1,528	1,147	3,695	8,616

30 JUNE 2025	NEW ZEALAND DEVELOPMENT US\$'000	CHINA DEVELOPMENT US\$'000	AUSTRALIA DEVELOPMENT US\$'000	TOTAL US\$'000
Within one year	779	2,701	1,175	4,655
Total	779	2,701	1,175	4,655

The above commitments may be deferred or modified with the agreement of the host government, by variations to the terms of individual permits or licences, or extensions to the terms thereof.

The commitments may also be reduced by the Group entering into farm-out agreements or working interest trades, both of which are typical of the normal operating activities of the Group.

In addition to the above commitments, the Group has invested funds in other petroleum exploration interests but is not exposed to a contingent liability in respect of these, as it may choose to exit such interests at any time at no cost penalty other than the loss of the interests.

Note 17 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties, unless otherwise stated.

Other than the matters disclosed elsewhere in this report, there were no related party transactions with Directors and other key management personnel during the half-year outside of contractual remuneration.

Note 18 Events occurring after balance sheet date

The Group announced on 25 February 2026 an interim Conduit Foreign Income (CFI) unfranked dividend of AUD 1.5 cents per ordinary share which will be paid on 17 April 2026.

Other than the matters disclosed above and the rest of this report, there has not been any other matter or circumstance which has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years; or
- the results of those operations in future financial years; or
- the Group's state of affairs in future financial years.

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Directors' Declaration

In the directors' opinion:

- (a) the attached interim financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) complying with relevant Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance, as represented by the results of its operations and its cashflows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Horizon Oil Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



B Clement
Chairman



R Beament
Chief Executive Officer

Sydney
25 February 2026



Independent auditor's review report to the members of Horizon Oil Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Horizon Oil Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, for the half-year ended on that date, selected explanatory notes and the director's declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Horizon Oil Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters relating to the electronic presentation of the reviewed half-year financial report

This review report relates to the half-year financial report of the Company for the half-year ended 31 December 2025 included on Horizon Oil Limited's web site. The Company's directors are responsible for the integrity of Horizon Oil Limited's web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide a conclusion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications



they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

PricewaterhouseCoopers

PricewaterhouseCoopers

Marc Upcroft

Marc Upcroft
Partner

Sydney
25 February 2026