EDISON

SDX Energy

First gas

South Disouq delivering ahead of expectations

Oil & gas

SDX Energy announced early in November 2019 the commencement of production of natural gas in South Disouq, in Egypt. We expect this achievement to have a material effect on SDX's cash generation in the coming years. The field has already achieved a plateau production of 50mmscfed, three months ahead of management expectations. Along with its Q319 results, SDX also outlined its exploration and appraisal drilling programme for end-FY19 and FY20, with up to five wells to be drilled in Egypt and 12 wells to be drilled in Morocco. In this note, we update our 2019 production to account for South Disouq contribution, and for 2020 at production plateau. We also update our exploration target resources. Our valuation moves from a RENAV of 49.8p/share to 50.3p/share (+1%), while our core NAV increases from 45.0p/share to 45.7p/share (+2%).

Year-end	Revenue ($m)	PBT* ($m)	Operating cash flow ($m)	Net cash ($m)	Capex ($m)	Production (kboed)
12/17	39.2	32.8	21.6	25.8	(24.9)	3.2
12/18	53.7	7.1	36.2	17.3	(44.8)	3.6
12/19e	45.6	8.3	22.6	5.1	(36.1)	3.6
12/20e	55.3	13.1	30.1	14.8	(21.4)	7.3

Note: *PBT is normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. **Excludes Circle acquisition ($28.1m).

South Disouq on-stream

Bringing South Disouq to production was SDX's biggest objective for 2019. On 7 November 2019 first gas was achieved with production reaching 35mmscfed in the first two weeks of operations, and plateau production of 50mmscfed being achieved in December 2019, three months ahead of management expectations. Natural gas production from South Disouq will have a material effect on SDX's cash generation in the coming years, with an Edison estimated contribution of c $15m in annual net revenues. This will shift SDX's hydrocarbon production mix from 50% to 75% gas.

2019–20 exploration programme

Exploration drilling in South Disouq is due to commence in Q120. The first two wells will target the Salah and Sobhi prospects in the Kafr El Sheikh, which if successful can be tied back at low cost to the Central Processing Facility. The third well will target the deeper Cretaceous reservoir, high-impact Young prospect, which in case of success would open up a new play. In Morocco, to meet forecast demand from gas customers, SDX commenced a 12-well drilling campaign in October 2019 targeting gross mean prospective resources of 15bcf in its operated acreage.

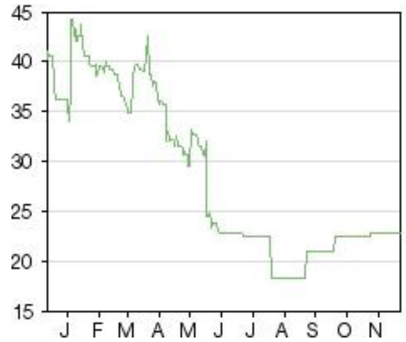
Valuation: Core NAV increase by 2% to 45.7p/share

Our core NAV increases by 2%, driven by South Disouq progress in 2019 being ahead of our previous estimates. We also update SDX's exploration and appraisal target resources for 2020, which, in combination with the core NAV, results in a RENAV of 50.3p/share, 1% higher than our previous valuation. The current share price appears to be heavily discounting SDX sanctioned projects, which correspond to 91% of our RENAV, as well as any future growth potential in Egypt and Morocco.

12 December 2019

Price	**21p**
Market cap	**£44m**
	US$1.23/£
Net cash ($m) at 30 September 2019	12.6
Shares in issue	204.7m
Free float	84%
Code	SDX
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(7.8)	0.0	(51.2)
Rel (local)	(6.6)	(0.3)	(55.3)
52-week high/low		44.3p	16.3p

Business description

SDX Energy is a North African E&P listed in London. SDX produces oil and gas in Egypt and gas in Morocco.

Next events

FY19 results	Q120

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Edison profile page

SDX Energy is a research client of Edison Investment Research Limited

Investment summary

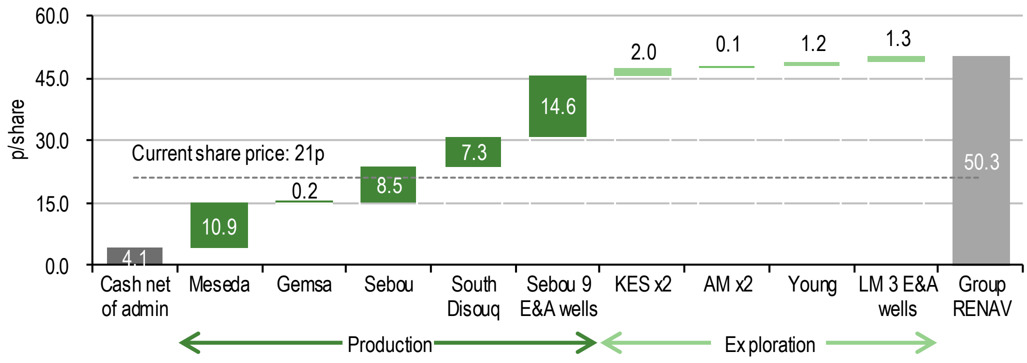
North Africa focus

SDX Energy is engaged in the exploration and production of oil and gas with current activities focused on Egypt and Morocco. The company has interests in nine concessions with short- and long-term potential and intends to develop the potential of its existing concessions while seeking growth opportunities within North Africa. SDX's strategy is to create value through low-cost production growth and low-cost, high-impact exploration in its region of activity.

Core NAV corresponds to 91% of our 50.3p/share RENAV

We value SDX based on the $NPV_{12.5}$ of the company's producing assets and risked value of contingent and prospective resource. Recent changes in our valuation include the updated targeted mean unrisked prospective resource in Egypt at 275bcf, and 15bcf in Morocco. We also update our foreign exchange assumptions to reflect a stronger US dollar versus the pound sterling over the last six months and our short-term price assumptions based on EIA forecasts to $63.59/bbl and $60.10/bbl for 2019 and 2020. A breakdown of our RENAV is provided in Exhibit 1.

Exhibit 1: SDX Energy NAV waterfall



Source: Edison Investment Research

Financials: Exploration programme fully funded

SDX maintains a strong balance sheet with our forecast year-end 2019 net cash of c $5.1m and $10m loan facility undrawn. 2019–20's well programme is fully funded from cash and cash flow, and we believe SDX's assets have the capacity to attract debt to fund inorganic growth.

Risks and sensitivities: Asset concentration in North Africa

SDX Energy is exposed to generic sector uncertainties, such as volatile underlying commodity prices and currency movements; however, fixed price, long-term gas contracts provide an element of certainty to cash flow forecasts. Subsurface risks relate to SDX's ability to recover gas and oil volumes in line with mid-case management/audited estimates. We view key risks as geopolitical, with the company's assets concentrated in North Africa. Nevertheless, we note that Egypt is a mature hydrocarbon province and both Morocco and Egypt have relatively stable energy ministries and supportive fiscal regimes.

Egypt: South Disouq

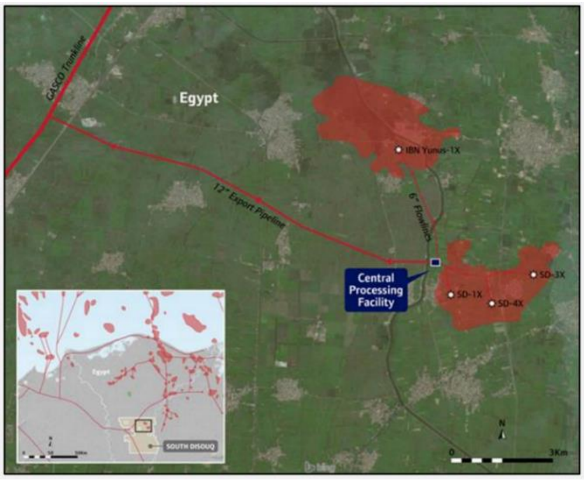
SDX achieved the key milestone of first gas from South Disouq in November 2019. The company achieved a target gross plateau rate of 50mmscfed three months ahead of expectations in December 2019. The gas production from South Disouq, together with the expected shut down of the late life NW Gemsa field will shift the company's producing hydrocarbon mix from 50% to 75% gas.

An exploration drilling campaign of up to five wells will follow in the coming year, commencing with two Kafr El Sheikh (KES) prospects similar to those seen in the existing producing wells. The third well will test a deeper, larger and potentially play-opening Cretaceous prospect, Young, which at 162bcf holds over half of the c 300bcf of prospective resources identified in South Disouq. The final two wells are also planned to be Cretaceous targets and will be drilled pending a successful outcome in Young.

First gas at South Disouq

South Disouq came onstream in November 2019 and to date has performed beyond expectations with the ramp-up to 50mmscfed proceeding faster than expected. Each of the four wells hooked up to the Central Processing Facility (CPF) tested at their expected rates of between 8mmscfed and 15mmscfed and production increased from 24mmscfed to 35mmscfed in the two weeks since first gas, and have now stabilised at the target gross production plateau of 50mmscfed.

Exhibit 2: South Disouq development map



Source: SDX Energy

Exhibit 3: South Disouq CPF

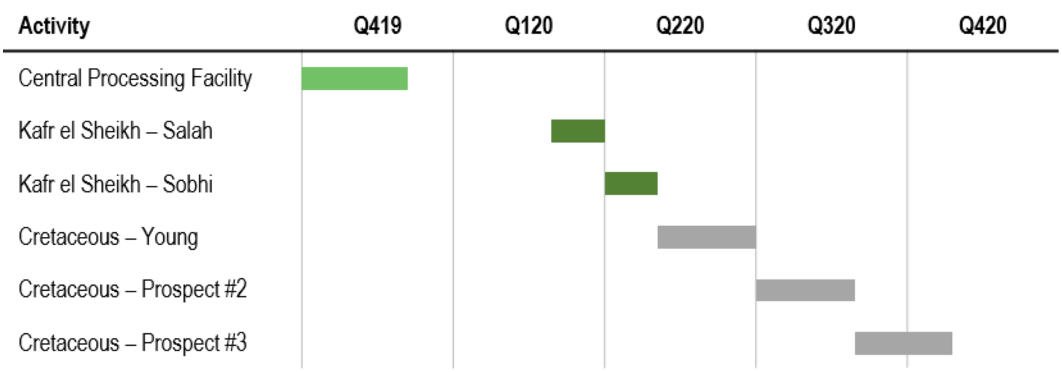
Source: SDX Energy

The CPF is simple and straightforward. Produced gas is gathered at an inlet manifold before the condensate and water are separated from the gas. The gas is then compressed and exported via a metering station to THE Grid via a 10km 12" pipeline. Both the condensate and water are trucked away: the condensate for sale and the water for treatment.

2020 exploration targets

Exploration drilling is due to commence in Q120, pending final partner approval. The first two wells will be Salah and Sobhi, both of which are KES prospects and, if successful, these can be tied back at low cost to the CPF.

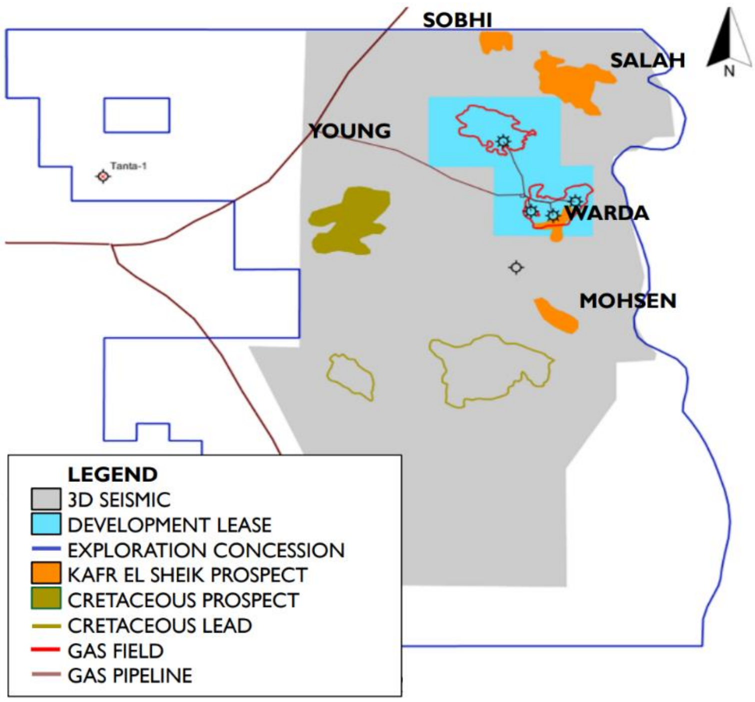
Exhibit 4: South Disouq work programme



Source: SDX Energy, Edison Investment Research

Three out of the four existing South Disouq production wells produce from the Abu Madi reservoir, but the fourth well, Ibn Yunus-1x, produces from the KES reservoir. Ibn Yunus-1x discovered gas in the shallower KES reservoir in 2018 and produced up to 39.3mmscfd during testing. Like Ibn Yunus-1x, Salah and Sobhi are similar stratigraphic traps that are identifiable as amplitude highs on 3D seismic. SDX estimates that Salah contains 75.1bcf, and Sobhi holds 31.8bcf of gross mean recoverable resources across three sandstone horizons. These company figures have been updated from the ERCE CPR figures from March 2019 following the interpretation of 170km^2 of 3D seismic that was acquired in late 2018/early 2019. SDX has assigned a 35% geological chance of success (GCoS) to both prospects, with the presence of trap seen as the key risk.

Exhibit 5: South Disouq licence map



Source: SDX Energy

For the third well in the exploration campaign, the company will target the deeper Cretaceous reservoir in the Young prospect, c 10km to the west of South Disouq. The prospect is a faulted four-way dip closure, with four potential sandstone horizons within the reservoir. Success here would open up a new play, which SDX would immediately follow up with two further Cretaceous wells (which conversely will not be drilled if hydrocarbons are not encountered). Young is a higher-impact, higher-risk prospect than Salah and Sobhi with company estimated gross mean recoverable resources of 162bcf and a GCoS of 17%.

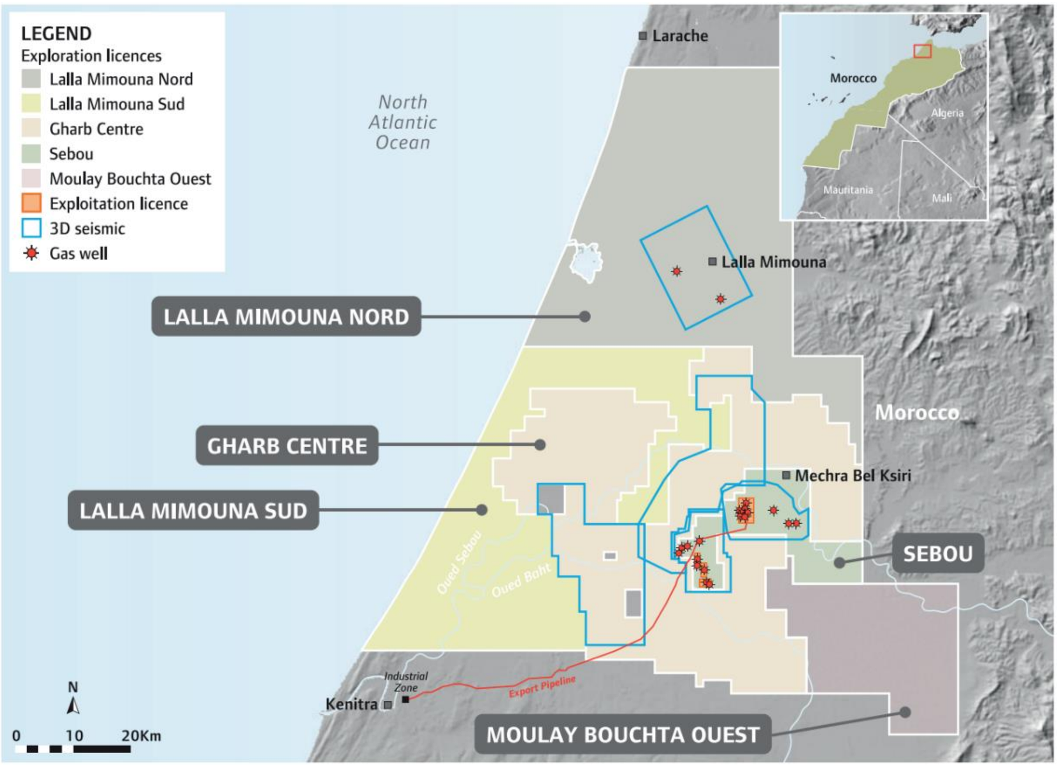
NW Gemsa: Uneconomic from early 2020

NW Gemsa is a late-life asset with declining production due to increasing water cut. SDX (50%WI) carried out nine workovers to offset the decline in 2019, but the field is now expected to become uneconomic in early 2020 unless opex can be reduced significantly. The company will exit with the loss of the current gross production of 3,000–3,200boed; however, the state will be liable for all aspects of decommissioning.

Morocco: 12-well drilling campaign

To continue to meet forecast demand from gas customers, SDX commenced a 12-well drilling campaign in October 2019 targeting gross mean prospective resources of 15bcf in its operated Gharb Basin acreage in Morocco (SDX: 75% working interest). The company is guiding to an exit rate of 6.0–6.5mmscfd to meet existing demand in 2019. In addition to accessing reserves to meet demand, the campaign is also designed to test a new play, opening areas of prospectivity across the portfolio.

Exhibit 6: Morocco licence map



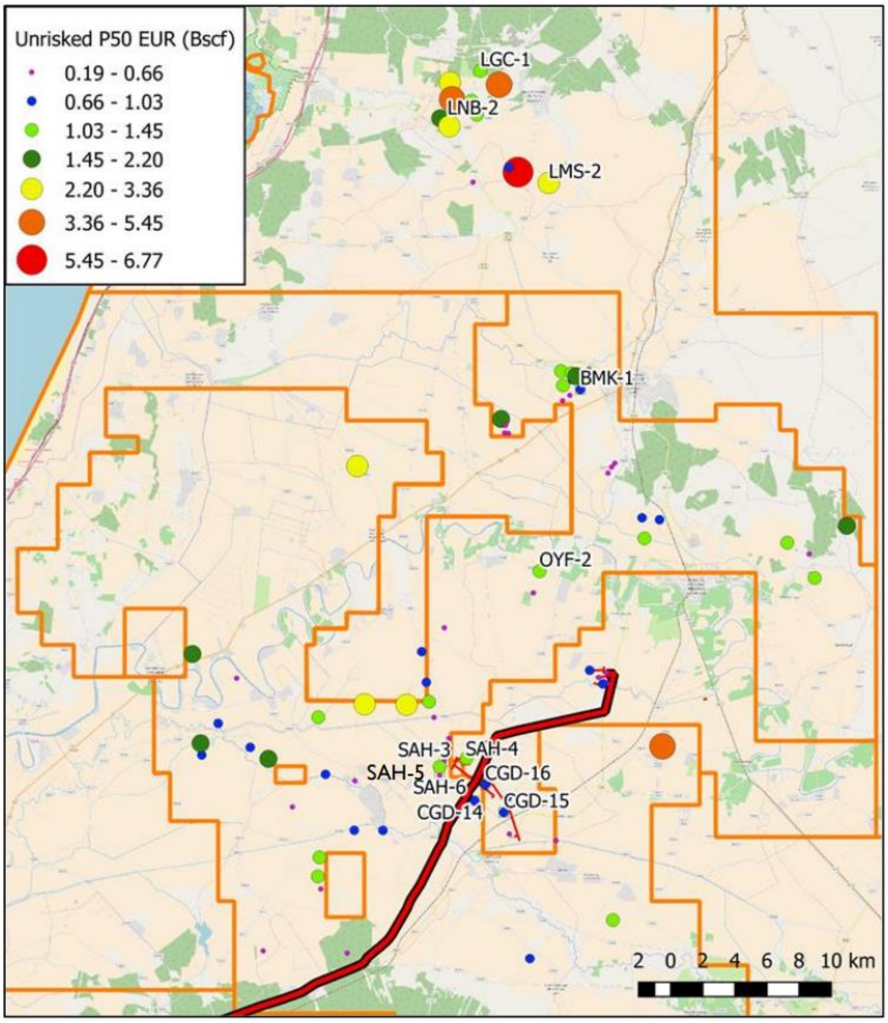
Source: SDX Energy

Campaign covers a diverse range of prospects

The first seven wells are low-risk appraisal wells targeting prospects close to existing infrastructure in the Gharb centre. These wells can be tied in quickly, at low cost, and are similar in geological risk to the discoveries already made and producing in this area.

The next two wells will be of moderate risk at a step-out location to the north of the Gharb Centre and beyond the reach of existing infrastructure. The prospects are similar to previous discoveries made in Sebou but sit in an untested area. The BMK-1 well is the larger step out of the two, in the Beni Malek cluster area, while the OYF-2 well is located between the Gharb Centre and BMK-1. Success would open up this area of the concession for follow-on drilling.

Exhibit 7: Morocco prospect map



Source: SDX Energy

The final three wells will be higher-risk exploration wells in the Lalla Mimouna Nord concession, re-testing the Lalla Mimouna thermogenic gas play at LNB-2, LMS-2 and LGC-1. In the event that the first of these three wells do not meet expectations, the company may decide to return to its core producing area and drill two smaller, lower-risk prospects to add additional reserves instead. Drilling is expected to be completed in Q120.

Management

Non-executive chairman: Michael Doyle is a professional geophysicist with more than 35 years' industry experience and was a founding director and chairman of Madison PetroGas from its inception in 2003. Mr Doyle is a principal of privately held CanPetro International. Mr Doyle was previously a principal and chief executive officer of Petrel Robertson, where he was responsible for providing advice and project management to clients throughout the world. Prior to that, he held a variety of exploration positions at Dome Petroleum and Amoco Canada.

CEO: Mark Reid has over 20 years' experience in numerous sectors including financial services, investment banking and oil & gas. He has had significant exposure to M&A transactions and the equity and debt capital markets. Prior to becoming CEO in 2019, he was CFO at SDX and between 2009 and 2015 he was finance director at AIM-listed Aurelian and Chariot. Prior to this, he worked at BNP Paribas Fortis and Ernst & Young Corporate Finance advising on M&A, IPO and other fund-raising transactions. Mr Reid has an MBA and is a member of the Institute of Chartered Accountants of Scotland.

CFO: Nicholas Box was appointed as CFO and Director in November 2019. He joined SDX Energy in 2016 as group financial controller having previously worked for PwC in the UK, Australia and Mongolia, primarily in the natural resources sector. He has over 13 years' professional experience in accounting, capital markets transactions, post-merger integrations and internal controls. Mr Box is a qualified chartered accountant as a member of the Institute of Chartered Accountants in England and Wales.

Director: Amr Al Menhali was appointed CEO of Waha Capital in September 2019. Waha Capital is SDX's largest shareholder, through its subsidiary, SDX SPV, with a 19.48% interest in the company. Mr Al Menhali was appointed to the SDX board in November 2019. He has over 20 years' experience in the financial services industry in a variety of leadership positions, including as CEO of one of the leading banks in the UAE. Mr Al Menhali sits on the boards of several local and international companies across diverse sectors.

Egypt Country manager: Mohamed Farid is an accountant by background and has 28 years' experience, predominantly in the oil and gas sector. Prior to joining SDX, he was CEO for the upstream entities owned by one of the biggest private equity groups in North Africa, managing a total investment of $1.5bn. He previously worked for BG and BP in Africa, Asia, Europe and the Middle East where he acquired significant exposure to M&A in the energy sector.

Morocco Country manager: Lonny Baumgardner has over 25 years' experience in oil & gas. He commenced his career as a drilling engineer in Canada. Mr Baumgardner started his international experience in Saudi Arabia, and has since worked in Tanzania, Greece, Australia and Egypt. Mr Baumgardner has a broad spectrum of technical, operational and general management experience.

Risks and sensitivities

Company specific risks and sensitivities include:

- North Africa – SDX's assets are concentrated in North Africa, and while Morocco and Egypt have mature hydrocarbon sectors and stable fiscal regimes, changes in leadership can drive uncertainty.
- Egyptian receivables – SDX continues to reduce its Egyptian receivables and does not seem to have issues in collecting payments, possibly because it is prepared to accept Egyptian pounds (rather than US dollars).

- Partner risk – SDX is reliant on its Egyptian partner supporting technical work programmes and development plans such that cash calls are met. SDX's partner in South Disouq, IPR Energy Group, has been supportive and, assuming future development plans deliver a strong risked return on investment, we expect this support to continue.

Generic sector risks and sensitivities

- Commodity price volatility: SDX has exposure to long-term fixed price gas price contracts that somewhat mitigate this risk.
- Geological risk and uncertainty and reservoir performance uncertainty.
- Small-/mid-cap availability of funding.

Valuation

We value SDX using an asset-by-asset NAV derived from detailed DCF modelling. Core value includes production, development and contingent resources that could be developed, while exploration is valued only if wells are planned and funded in the next 12 months. We apply a 12.5% discount rate given the geographical distribution of the assets and the size of the company. Our long-term oil price assumption is $70/bbl in 2022, inflated at 2.5% onwards, although our near-term assumptions for 2019 and 2020 follow EIA estimates. We assume Moroccan gas prices of $10.59/mcf in 2019 inflating at 2.5%.

Our updated valuation includes a 100bcf gas development at South Disouq and drill-ready gas prospects targeting c 275bcf of mean unrisked prospective resource in Egypt. In Morocco, we include our estimates of current discovered resource and we also include Lalla Mimouna discoveries and 12 planned appraisal/development wells in our valuation, targeting 15bcf. Nine of these wells are included in our core valuation, as risks are only around individual wells meeting the minimum threshold for commerciality – we include these at a 75% chance of success for nine of these wells. The remaining three riskier Lalla Mimouna wells step out of SDX's core area and we assume a 30% chance of geological success.

Exhibit 8: SDX Energy detailed valuation

				Recoverable reserves			Net risked value @12.5%		
		Diluted WI	CoS	Gross	Net WI	Net	NPV	Absolute	Per share
Asset	**Country**	**%**	**%**	**mmboe**	**mmboe**	**mmboe**	**$/boe**	**$m**	**p/share**
Net cash at December 2018								17.3	6.9
SG&A – $NPV_{12.5}$ of 3 yrs								(19.3)	(7.7)
E&A expense for exploration prospects								(14.2)	(5.6)
NPV of net receivable recovery								16.8	6.6
Sebou Pipeline residual value (30% cost)								9.8	3.9
Production									
Meseda Base + Workovers + Rabul	Egypt	50%	90%	8.9	4.4	1.7	6.9	27.5	10.9
Gemsa – to be abandoned in 2020	Egypt	50%	100%	2.2	1.1	1.1	0.5	0.5	0.2
South Disouq/Ibn Yunus	Egypt	55%	100%	16.7	9.2	9.2	2.0	18.4	7.3
Sebou 2P + discoveries to be booked	Morocco	75%	100%	0.9	0.7	0.7	33.1	21.5	8.5
LM discoveries and 2019/2020 9 shallow wells	Morocco	75%	75%	3.1	2.3	2.3	21.2	36.9	14.6
Core NAV				**31.7**	**17.7**	**14.9**		**115.3**	**45.7**
Exploration (known)									
Kafr El Sheik prospects x2	Egypt	55%	32%	17.8	9.8	9.8	1.6	4.9	2.0
Abu Madi prospects x2	Egypt	55%	27%	1.1	0.6	0.6	1.6	0.3	0.1
Young gas prospect	Egypt	55%	13%	27.0	14.9	14.9	1.6	3.0	1.2
Lalla Mimouna 3 wells	Morocco	75%	23%	0.9	0.7	0.7	21.2	3.3	1.3
Group RENAV				**78.6**	**43.6**	**40.9**		**126.8**	**50.3**

Source: Edison Investment Research. Note: Number of shares = 204.7m; FX = US$1.23/£.

Other key changes include: higher production forecast for 2019, due to South Disouq contribution already in Q419, and a plateau production of 50mmscfed for full year 2020; a decrease in our short-term oil price assumptions, which move to $63.59/bbl and $60.10/bbl for 2019 and 2020, respectively; and an updated FX rate for a stronger US dollar versus the pound sterling over the last six months. These changes are highlighted in the table below.

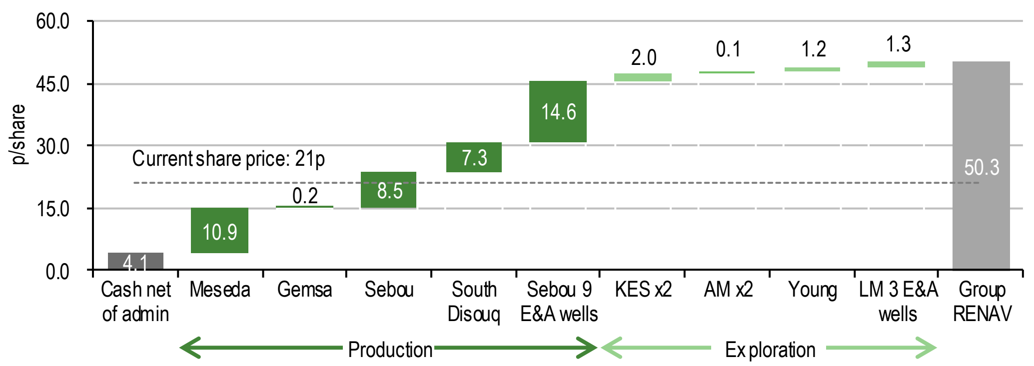
Exhibit 9: Edison updated forecasts

	New			Old			Change		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Production (kboed)	3.6	7.3	6.0	3.4	6.7	6.3	8%	10%	-4%
Revenue ($m)	45.6	55.3	45.7	45.3	51.5	46.0	1%	7%	-1%
EBITDA ($m)	19.7	29.2	28.1	19.5	29.7	28.4	1%	-2%	-1%
FCF ($m)	(12.2)	9.7	28.0	(12.5)	12.4	27.4	-2%	-22%	2%
Brent ($/bbl)	63.59	60.10	64.95	65.15	62.00	65.92	-2%	-3%	-1%
SD gas price ($/mcf)	2.85	2.85	2.85	2.85	2.85	2.85	0%	0%	0%
Sebou gas price ($/mcf)	10.59	10.85	11.12	10.59	10.85	11.12	0%	0%	0%

Source: Edison Investment Research

As a result, our RENAV moves from 49.8p/share to 50.3p/share (+1%), with our core value standing at 45.7p/share. We note that our valuation has a significant core value component at 91% of our RENAV, and only 9% attributed to exploration and appraisal. This is materially different to the current share price of 21.0p/share. As can be seen in Exhibit 10, based on the current share price, the market is not pricing in all of SDX's producing assets, nor its risked prospective resource.

Exhibit 10: SDX Energy valuation waterfall



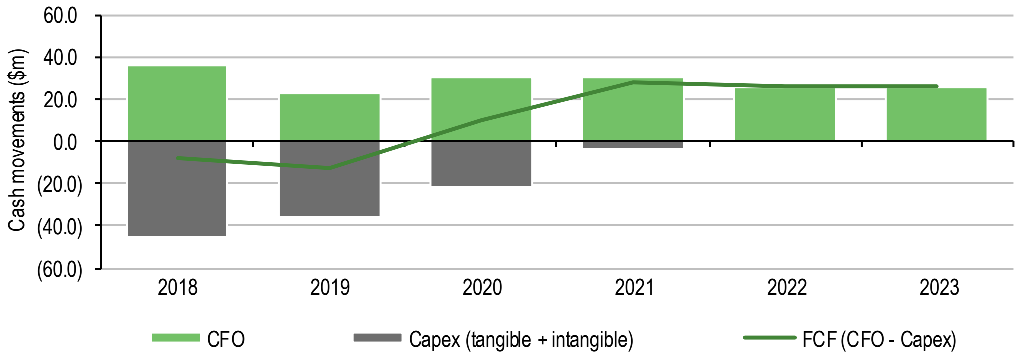
Source: Edison Investment Research

On 11 December 2019, SDX's CEO Mark Reid purchased 94,233 ordinary shares at a price of 21.0p/share and Tim Linacre, Non-Executive Director of the company, purchased 40,000 ordinary shares at a price of 21.3p/share. Following this transaction, Mr Reid holds 461,203 ordinary shares in SDX representing 0.225% of the company's issued share capital and Mr Linacre holds 160,000 ordinary shares in the company, representing 0.078% of SDX's issued share capital. These initiatives reflect a sign of optimism from the company's management on SDX current positioning and value proposition.

Financials

We forecast year-end 2019 net cash of c $5.1m and, as of end September 2019, SDX's EBRD loan facility of $10m remains undrawn. The amount available under the EBRD facility was recently reduced to $7.5m, in line with the facility's amortisation schedule, and discussions are underway to extend and re-establish the $10m availability under the facility. Based on the capex projections that underpin our production forecasts and SDX's committed exploration programme, the company is fully funded and we forecast positive free cash flow from 2020, following South Disouq starting its production. We do not foresee the need for further equity capital at this stage, unless incremental growth capex, over and above our forecasts, is dedicated to new projects or acquisitions.

Exhibit 11: Capex and cash flow forecasts

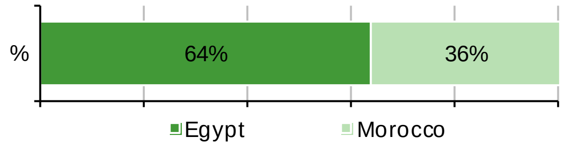


Source: SDX Energy, Edison Investment Research

Exhibit 12: Financial summary

Accounts: IFRS, Year-end: December, US$000s	2015	2016	2017	2018	2019e	2020e	2021e
INCOME STATEMENT							
Total revenues	11,372	12,914	39,166	53,679	45,561	55,283	45,717
Cost of sales (direct expense)	(4,973)	(5,282)	(10,254)	(11,934)	(18,405)	(17,851)	(8,781)
Gross profit	6,399	7,632	28,912	41,745	27,156	37,432	36,936
SG&A (expenses)	(4,770)	(3,679)	(8,793)	(7,270)	(7,634)	(8,015)	(8,416)
Other income/(expense)	1,021	1,701	1,820	1,025	1,333	1,018	767
Exceptionals and adjustments	(7,676)	(29,089)	(725)	(10,458)	(1,194)	(1,194)	(1,194)
Depreciation and amortisation	(2,057)	(3,266)	(17,824)	(17,268)	(11,149)	(15,988)	(13,919)
Reported EBIT	(7,083)	(26,701)	3,390	7,774	8,513	13,253	14,174
Finance income/(expense)	(96)	4	(129)	(542)	0	0	0
Other income/(expense)	18,289	0	29,558	(174)	(174)	(174)	(174)
Exceptionals and adjustments	0	0	0	0	0	0	0
Reported PBT	11,110	(26,697)	32,819	7,058	8,339	13,079	14,000
Income tax expense (includes exceptionals)	(1,063)	(1,503)	(4,541)	(7,021)	(1,473)	(1,766)	(1,781)
Reported net income	10,047	(28,200)	28,278	37	6,866	11,314	12,219
Shares at end of period – basic (m)	38	80	204	205	205	205	205
BALANCE SHEET							
Property, plant and equipment	18,401	12,605	54,445	48,680	68,147	70,329	59,538
Goodwill	0	0	0	0	0	0	0
Intangible assets	23,473	10,623	15,231	39,128	44,612	47,866	48,426
Other non-current assets	2,106	2,503	2,724	3,394	3,394	3,394	3,394
Total non-current assets	43,980	25,731	72,400	91,202	116,153	121,590	111,358
Cash and equivalents	8,170	4,725	25,844	17,345	5,137	14,850	42,812
Inventories	1,188	1,698	5,157	5,236	5,000	4,849	2,385
Trade and other receivables	6,678	9,463	37,656	24,324	19,459	15,567	12,454
Other current assets	0	0	0	0	0	0	0
Total current assets	16,036	15,886	68,657	46,905	29,596	35,267	57,651
Non-current loans and borrowings	0	0	0	0	0	0	0
Other non-current liabilities	286	290	4,506	4,572	4,572	4,572	4,572
Total non-current liabilities	286	290	4,506	4,572	4,572	4,572	4,572
Trade and other payables	3,556	3,674	19,459	14,418	14,000	12,600	11,340
Current loans and borrowings	0	0	0	0	0	0	0
Other current liabilities	928	389	2,473	3,078	3,078	3,078	3,078
Total current liabilities	4,484	4,063	21,932	17,496	17,078	15,678	14,418
Equity attributable to company	55,246	37,264	114,619	116,039	124,099	136,606	150,020
Non-controlling interest	0	0	0	0	0	0	0
CASH FLOW STATEMENT							
Profit before tax	11,110	(26,697)	32,819	7,058	8,339	13,079	14,000
Net finance expenses	0	0	0	0	0	0	0
Depreciation and amortisation	2,057	3,266	17,824	17,268	11,149	15,988	13,919
Share based payments	761	(47)	538	1,194	1,194	1,194	1,194
Other adjustments	(12,281)	25,742	(34,613)	3,224	(1,333)	(1,018)	(767)
Movements in working capital	(2,183)	(3,440)	5,412	8,584	4,683	2,642	4,317
Interest paid / received	0	0	0	0	0	0	0
Income taxes paid	(4,678)	(766)	(364)	(1,091)	(1,473)	(1,766)	(1,781)
Cash from operations (CFO)	(5,214)	(1,942)	21,616	36,237	22,559	30,120	30,883
Capex	(5,120)	(11,890)	(24,917)	(44,810)	(36,100)	(21,425)	(3,688)
Acquisitions & disposals net	0	0	(24,948)	0	0	0	0
Other investing activities	4,836	825	760	525	1,333	1,018	767
Cash used in investing activities (CFIA)	(284)	(11,065)	(49,105)	(44,285)	(34,767)	(20,406)	(2,920)
Net proceeds from issue of shares	0	10,127	48,510	114	0	0	0
Movements in debt	(3,702)	(96)	(43)	(197)	0	0	0
Other financing activities	0	0	0	0	0	0	0
Cash from financing activities (CFF)	(3,702)	10,031	48,467	(83)	0	0	0
Increase/(decrease) in cash and equivalents	(9,200)	(2,976)	20,978	(8,131)	(12,208)	9,713	27,962
Currency translation differences and other	(565)	(469)	141	(368)	0	0	0
Cash and equivalents at end of period	8,170	4,725	25,844	17,345	5,137	14,850	42,812

Source: SDX Energy, Edison Investment Research

Contact details	Revenue by geography
38 Welbeck Street London W1G 8DP United Kingdom www.sdxenergy.com	

Management team	
Non-executive chairman: Michael Doyle	**CEO: Mark Reid**
Michael Doyle is a professional geophysicist with more than 35 years' industry experience and was a founding director and chairman of Madison PetroGas from its inception in 2003. Mr Doyle is a principal of privately held CanPetro International. Mr Doyle was previously a principal and chief executive officer of Petrel Robertson, where he was responsible for providing advice and project management to clients throughout the world. Prior to that, he held a variety of exploration positions at Dome Petroleum and Amoco Canada.	Mark Reid has over 20 years' experience in numerous sectors including financial services, investment banking and oil & gas. He has had significant exposure to M&A transactions and the equity and debt capital markets. Prior to becoming CEO in 2019, he was CFO at SDX and between 2009 and 2015 he was finance director at AIM-listed Aurelian and Chariot. Prior to this, he worked at BNP Paribas Fortis and Ernst & Young Corporate Finance advising on M&A, IPO and other fund-raising transactions. Mr Reid has an MBA and is a member of the Institute of Chartered Accountants of Scotland.
CFO: Nicholas Box	
Nicholas Box was appointed as CFO and director in November 2019. He joined SDX Energy in 2016 as group financial controller having previously worked for PwC in the UK, Australia and Mongolia, primarily in the natural resources sector. He has over 13 years' professional experience in accounting, capital markets transactions, post-merger integrations and internal controls.	

Principal shareholders	(%)
SDX SPV (Waha Capital subsidiary)	19.48
Ingalls & Snyder LLC	18.91
River & Mercantile Asset Management LLP	8.35
Hargreaves Lansdown Asset Management Ltd	7.30
Highclere International Investors LLP	5.02
Interactive Investor Trading	4.82

Companies named in this report
EGAS, IPR Energy Group

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United Kingdom

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